[Translation]

January 31, 2024

Company Name: Netyear Group Corporation
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Parent Company: NTT DATA GROUP CORPORATION
Representative: Yo Honma, President and Chief Executive Officer
(Code No.: 9613, Tokyo Stock Exchange Prime Market)

Parent Company: Nippon Telegraph and Telephone Corporation
Representative: Akira Shimada, President and Chief Executive Officer
(Code No.: 9432, Tokyo Stock Exchange Prime Market)

NOTICE REGARDING NETYEAR GROUP CORPORATION'S ANNOUNCEMENT OF THE REVISION OF ITS FISCAL YEAR FINANCIAL FORECASTS

Based on recent business performance trends, Netyear Group Corporation (the "Company") has announced today the revision of its fiscal year financial forecasts for the fiscal year ending March 31, 2024, which were previously announced on April 28, 2023, as stated below.

1. Revised Fiscal Year Financial Forecasts for the Fiscal Year Ending March 31, 2024

(Millions of yen)

	Operating Revenues	Operating Income	Recurring Profit	Net Income	Earnings per Share
Previous Forecast (A)	4,100	300	299	209	29.86 yen
Revised Forecast (B)	3,500	30	29	19	2.71 yen
Change (B-A)	(600)	(270)	(270)	(190)	—
Percentage Change (%)	(14.6)	(90.0)	(90.3)	(90.9)	—
(Reference) Results for the Fiscal Year Ended March 31, 2023	3,919	281	280	200	28.61 yen

2. Reasons for the Revisions

After carefully examining the expected full-year financial results that can be inferred from progress up to the third quarter, among other factors, the Company has determined that revisions to its previously announced financial forecast for the fiscal year ending March 31, 2024 are necessary. As a result, operating revenues, operating income, recurring profit, and net income are all expected to be lower than the previously announced financial forecasts.

With respect to operating revenues, orders did not progress as planned due to a combination of project terminations and scale reductions based on changes in customer requirements in the first half of the fiscal year, and human resources (human resource capability) constraints in the second half of the fiscal year, among other factors, in addition to a decrease in orders from the parent company group. Although the

Company is working to acquire new service projects to expand existing contracted services as a recovery measure, it is expected to be difficult to recover from the decline in orders. As a result, the forecast has been revised downward.

On the profit side, the Company revised its forecast significantly downward due to an increase in service development costs and expenses related to securing and developing human resources for the next fiscal year and beyond, the costs of which the Company continues to incur as planned as investments in the future of the Company, in addition to the decrease in profits resulting from the downward revision in operating revenues.

3. Dividend Forecasts

Although the Company's basic dividend policy is to maintain a dividend payout ratio of approximately 20% of net income while at the same time securing the internal reserves necessary for business investment and human resource development to strengthen its management structure and increase earnings, the Company recognizes that the stable return of profits to shareholders is an important issue that will lead to their long-term shareholding. Upon consideration of the Company's financial position and other factors, the Company plans to pay an annual dividend of 6.00 yen per share, as initially planned.

Note on Financial Forecasts:

The above forecasts are based on the information currently available to the Company as of the date of this announcement, and include certain potential risks and uncertainties. As a result, various factors in the future could cause actual results to differ materially from the above forecasts.

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