

# **NTT DATA Business Solutions A/S**

Erhvervsbyvej 11, 8700 Horsens

CVR no. 26 90 14 48

## **Annual report for the financial year 01.04.23 - 31.03.24**

This annual report has been adopted at the  
annual general meeting on 13.09.24

Torben Bjerre-Madsen

Chairman of the meeting

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**The company**

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NTT DATA Business Solutions A/S  
Erhvervsbyvej 11  
8700 Horsens  
Registered office: Horsens  
CVR no.: 26 90 14 48  
Financial year: 01.04 - 31.03

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**Executive Board**

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Nicolaj Vang Jessen  
Thomas Stig Nielsen  
Ulrik Hinke

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**Board of Directors**

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Torben Bjerre-Madsen  
Norbert Rotter  
Nicolaj Vang Jessen  
Brian Skjød Madsen  
Thor Mai Hauberg

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**Auditors**

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KPMG  
Statsautoriseret Revisionspartnerselskab

Frederiks Plads 42  
8000 Aarhus C

**NTT Data Business Solutions A/S**

**Dattervirksomheder**

**NTT Data Business Solutions OY, Finland**  
100% ejet

**NTT Data Business Solutions AS, Norge**  
100% ejet

**NTT Data Business Solutions AB, Sverige**  
100% ejet

**NTT Data Business Solutions Consulting AB, Sverige**  
100% ejet

## Statement by the Executive Board and Board of Directors on the annual report

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We have on this day presented the annual report for the financial year 01.04.23 - 31.03.24 for NTT DATA Business Solutions A/S.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and financial statements give a true and fair view of the group's and the parent's assets, liabilities and financial position as at 31.03.24 and of the results of the group's and parent's activities and of the group's cash flows for the financial year 01.04.23 - 31.03.24.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Horsens, September 13, 2024

### Executive Board

Nicolaj Vang Jessen

Thomas Stig Nielsen

Ulrik Hinke

### Board of Directors

Torben Bjerre-Madsen  
Chairman

Norbert Rotter

Nicolaj Vang Jessen

Brian Skjøt Madsen

Thor Mai Hauberg

**To the shareholders of NTT DATA Business Solutions A/S****Opinion**

We have audited the consolidated financial statements and financial statements of NTT DATA Business Solutions A/S for the financial year 01.04.23 - 31.03.24, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including material accounting policy information for the group as well as for the parent company as well as the consolidated cash flow statement. The consolidated financial statements and financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the consolidated financial statements and financial statements give a true and fair view of the group's and the company's financial position at 31.03.24 and of the results of the group's and the company's operations and consolidated cash flows for the financial year 01.04.23 - 31.03.24 in accordance with the Danish Financial Statements Act.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and financial statements" section of our report. We are independent of the group and the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Statement on the management's review**

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and financial statements does not cover the management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and financial statements, it is our responsibility to read management's review and, in doing so, consider whether management's review is materially inconsistent with the consolidated financial statements or parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether management's review provides the information required by law and regulations.

Based on the work we have performed, we conclude that the management's review is in accordance with the consolidated financial statements and financial statements and has been prepared in accordance with the requirements of Danish Financial Statements Act. We did not identify any material misstatement of the management's review.

### **Management's responsibilities for the consolidated financial statements and financial statements**

Management is responsible for the preparation of consolidated financial statements and financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and financial statements, management is responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the consolidated financial statements and financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the consolidated financial statements and financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the consolidated financial statements and financial statements, including the disclosures, and whether the consolidated financial statements and financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, September 13, 2024

**KPMG**

Statsautoriseret Revisionspartnerselskab  
CVR no. 25578198

Mikkel Trabjerg Knudsen  
State Authorised Public Accountant  
MNE-no. mne34459

Katrine Gybel  
State Authorised Public Accountant  
MNE-no. mne45848



## GROUPS FINANCIAL HIGHLIGHTS

### Key figures

Figures in DKK '000	2023/24	2022/23	2021/22	01.01.21 31.03.21	2020
<i>Profit/loss</i>					
Revenue	954,637	956,511	810,329	188,144	708,216
Index	135	135	114	27	100
Profit before amortisation, write-downs and impairment losses on goodwill (EBITA)	59,007	84,253	75,460	9,317	64,280
Index	92	131	117	14	100
Operating profit	50,963	75,180	66,208	7,001	56,876
Index	90	132	116	12	100
Total net financials	2,750	7,586	329	-290	2,282
Profit for the year	40,430	66,931	47,876	4,255	44,966
Index	90	149	106	9	100
<i>Balance</i>					
Total assets	490,891	491,535	470,816	433,807	500,257
Index	98	98	94	87	100
Investments in property, plant and equipment	12,084	44,374	9,737	4,835	25,684
Index	47	173	38	19	100
Equity	251,674	211,838	153,928	103,367	244,718
Index	103	87	63	42	100
<i>Cashflow</i>					
Net cash flow:					
Operating activities	40,382	-18,026	129,284	19	123,559
Investing activities	-20,188	-53,148	-15,535	-5,766	-60,582
Financing activities	-37,910	3,966	-87,142	-75,452	9,331
Cash flows for the year	-17,716	-67,208	26,607	-81,199	72,308

## Ratios

	2023/24	2022/23	2021/22	01.01.21 31.03.21	2020
<i>Profitability</i>					
Return on invested capital (ROIC incl. goodwill)	24%	53%	69%	28%	53%
Profit margin (EBITA ratio)	6.2%	8.8%	9.3%	5.0%	9.1%
Asset turnover	1.9	2.0	1.8	1.6	1.6
<i>Equity ratio</i>					
Solvency ratio	51.3%	43.1%	32.7%	23.8%	48.9%
<i>Others</i>					
Number of employees (average)	554	518	482	460	469

For the financial year 01.01.21 - 31.03.21 the turnover and profit are converted into 12 months when calculating ratios.

### Ratios definitions

Return on invested capital:	$\frac{\text{EBITA} \times 100}{\text{Avg. invested capital incl. goodwill}}$
EBITA:	Operating profit plus amortisation and impairment losses on goodwill.
Invested capital incl. goodwill:	Sum of intangible operating assets and property, plant and equipment (incl. goodwill) as well as net working capital.
Profit margin (EBITA ratio):	$\frac{\text{EBITA} \times 100}{\text{Revenue}}$
Profit margin (EBIT ratio):	$\frac{\text{EBIT} \times 100}{\text{Revenue}}$
Asset turnover:	$\frac{\text{Revenue}}{\text{Avg. total assets}}$
Solvency ratio:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$

### **Primary activities**

The group's core activities are to sell and deliver consulting services to customers in the Nordic countries in connection with their implementation of enterprise solutions based on software and SaaS solutions from partners such as SAP and Microsoft. In addition, in-house developed add-on products for business systems as well as data platform and analytical solutions supported and implemented by the Group's Managed Service services are developed and implemented.

### **Development in activities and financial affairs**

The NTT Data Business Solutions (Nordic) group presents an operating profit of 51 million DKK. The total revenue lands at DKK 955 million. Both revenue and earnings are below expectations but considered acceptable.

In 2023/24 the Group has focused on a conservative growth strategy with a focus on maintaining the existing customer and with a continuous focus to grow the Cloud Business. The Group has gained new global customers and won significant projects in the market. The Group has consolidated its strong position in the Nordic market especially in Denmark and Norway, but also Sweden and Finland have contributed positively to the result.

The transformation towards Cloud and SaaS continued in 2023/24, supplemented by an increased focus on automation and the use of Artificial Intelligence in business processes. The Group has gained a foothold in the market within several focused business areas and continues its Nordic leadership position in the delivery of Cloud ERP solutions on S4HANA. The affiliation with NTT DATA Business Solutions' global group enables a strong position in the market with global competencies, industry knowledge, packaged services and a factory approach with high quality and low costs.

A rapidly growing business area is the Group's Innovation & Technology area which works with solutions based on exponential technologies. Among other things, the Group has also in 2023/24 won significant Projects on the developed Azure based data platform build together with the Tourism Industry in Denmark, which is delivered as a SaaS. The group realized a growth in automation projects based on generative AI based solutions combined with the Digital Human concept where the user interface for the solution is a digital avatar.

In 2023/24, it has continued to be a high priority to train the consulting staff and to retain and attract new employees.

In the Managed Service area, large agreements were closed in 2023/24 based on deliveries from own datacenter as well as hyperscalers and the area continues to be of great importance to the Group. Further managed service projects have been delivery based on SAP RISE.

The Nordic region is increasing the coherence with the global NTT DATA Business Solutions organization. The approach to the large base of products and industry-specific solutions, which NTT DATA Business Solutions has developed over many years, provides an opportunity to offer products

and services with unique functionality and industry specialization. The affiliation with the NTT DATA Business Solutions Group has also provided good opportunities for selling products developed in Denmark to the global customer portfolio.

As in previous years, the dedicated efforts of employees have been a crucial factor in the results delivered.

### **Outlook**

The company is expecting a moderate revenue growth rate of approximately 5% in 2024/25, with a profit margin up towards the level of 2021/22 and 2022/23.

### **Knowledge resources**

The Group's services are delivered by highly trained and experienced employees in various areas of knowledge. Our plans for growth require a highly competent staff that embraces both the depth and width.

### **Financial risks**

#### *Foreign currency risks*

Trading among the companies in the group exist a potential currency risk. Costs are typically paid in the supplying country's currency while revenue is invoiced in the selling country's currency. The Group is particularly exposed to the DKK/SEK and DKK/NOK exchange rates, but also exposed to the DKK/USD exchange rate driving a moderate risk.

The Group has not further specific business risk beyond the normal risks in the provisions of IT consultancy services.

### **Research and development activities**

During the financial year, a number of development projects were carried out with the ambition to establishing new functionality and implementing the latest technology in own developed software.

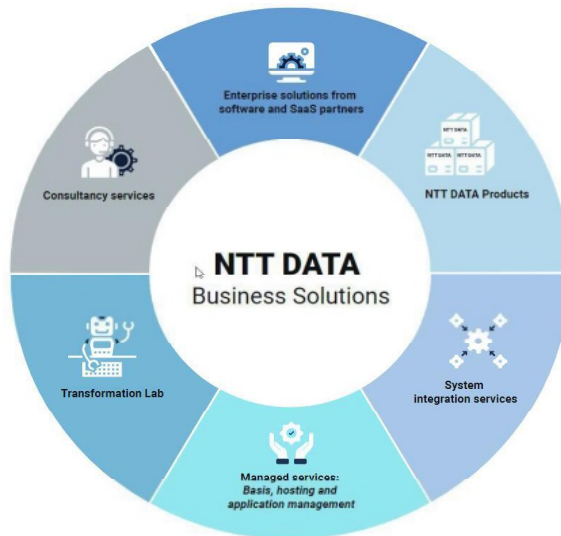
### **Subsequent events**

No important events have occurred after the end of the financial year.

**Corporate social responsibility**

NTT DATA Business Solutions has carried out a materiality analysis of the company's overall activities. The analysis has included the activities the company carries out directly in Denmark or through subsidiaries in Finland, Norway and Sweden.

The business model can be illustrated as follows covering various it-related services:



NTT DATA Business Solutions integrates CSR into the overall business strategy and each of its services through focus on sustainability, innovation, partnerships, commitment to NTT DATA global goals, and employee engagement.

We conducted an individual risk assessment in the following areas: Environmental impact, climate impact, anti-corruption and bribery, labor rights and human rights, in conjunction with our business areas. We have established several programs to monitor and assess potential risks, including appointment of a Human Rights Officer, due diligence checks of business partners and relevant activities to limit our negative environmental impact. We have not identified any significant risks.

NTT Data Business Solutions A/S and its subsidiaries have based on the materiality analysis so far chosen not to implement formal local policies on corporate social responsibility (CSR) including specific policies for the social responsibilities in our business strategies, including:

**Environmental impact** - We have carefully assessed the need for implementing specific policies for this area and find the commitment outlined in the Group Code of Conduct as an accurate statement of our current situation. Being a consulting company present in Nordic, with little impact to the environment and where environmental laws are already imposed upon us through ambitious and comprehensive legislation, we see no need to further implement an individual company specific policy.

**Climate impact** - We have carefully assessed the need for implementing specific policies for this area and find the commitment outlined in the Group Code of Conduct as an accurate statement of our current situation. Being a consulting company present in Nordic, with little impact to the environment and where environmental laws are already imposed upon us through ambitious and comprehensive legislation, we see no need to further implement any local company specific policy.

**Anticorruption and bribery** – We have carefully assessed the need for implementing specific policies for this area and find the commitment outlined in the Group Code of Conduct as an accurate statement of our current situation. Being a company present in Nordic, where this area is already strongly imposed upon us through ambitious and comprehensive legislation, we see no need to further implement any local company specific policy.

**Labor rights** - We have carefully assessed the need for implementing specific policies for this area and find the commitment outlined in the Group Code of Conduct as an accurate statement of our current situation. Being a company present in Nordic, where this area is already strongly imposed upon us through ambitious and comprehensive legislation, we see no need to further implement an individual any local company policy.

**Human rights** - We have carefully assessed the need for implementing specific policies for this area. Being a company present in Nordic, where this area is already strongly imposed upon us through ambitious and comprehensive legislation, we see no need to further implement an individual any local company policy.

As a consequence of a continued integration of CSR activities at NTT Data group level, we will continuously adopt the group's initiatives within Corporate Social Responsibility and ESG.

Code of Conduct please visit <https://nttdata-solutions.com/dk/about-us/code-of-conduct/>. We have fully adopted the NTT DATA Code of Conduct.

## **Gender composition of the management**

### *Supreme management body*

The NTT Data Business Solutions A/S Group is a subsidiary of NTT Data Business Solutions AG and NTT Group. There are five people on the company's board of directors. Three are appointed by the shareholders and two are employee-elected representatives. All employees, regardless of gender, have an equal right to stand in connection with the election of the board of directors. It was the company's goal that by the end of FY2023 there should be at least one female shareholder elected member of the board of directors if a position became vacant. In the past financial year, there has been no replacement in the shareholder elected members of the Board of Directors and the objective of having a female member of the Board of Directors, appointed by the shareholders, has therefore not been met. All shareholder elected members of the Board of Directors are currently men.

As a consequence of not meeting the goal the board of directors will consider its options to either

replace or extend the number board members. It is the company's revised goal that by the end of FY2026 there must be at least one female shareholder elected member of the board of directors.

At other formal management levels, the aim is a distribution by gender that corresponds to the distribution among the staff as a whole, as the group has an open and open-minded culture where the individual can utilize competencies regardless of gender.

	31.03.24	31.03.23	31.03.22	31.03.21	31.12.20
Number of members	3	*)	*)	*)	*)
Underrepresented sex (%)	0%	*)	*)	*)	*)
Target (%)	33%	*)	*)	*)	*)
Target figures expected to be met in year	2026	*)	*)	*)	*)

\*) The table does not contain information for 2023 and earlier, in line with section 99 b(7) of the Danish Financial Statements Act.

#### Accounting policies

The gender diversity ratio in the supreme management body is calculated as the proportion of female board members on the Board of Directors. It only includes board members elected by the general meeting. Employee representatives are not included.

#### Other management levels

Other levels of management include the Executive Board, and people with responsibility for personnel who report directly to the Executive Board.

The proportion of the underrepresented gender in management is currently 40%. NTT has, therefore, achieved an equal distribution of gender at other management levels. The goal fulfilment should be seen in relation to the management's current ambition that the number of the underrepresented gender in the company should be a least 20% - 25% corresponding to the industry average.

	31.03.24	31.03.23	31.03.22	31.03.21	31.12.20
Number of managers	10	*)	*)	*)	*)
Underrepresented sex (%)	40%	*)	*)	*)	*)

\*) The table does not contain information for 2023 and earlier, in line with section 99 b(7) of the Danish Financial Statements Act.

Our policy for continued work towards an equal gender distribution is implemented, among other things, through:

**Employer branding** - In our marketing communications, we have paid particular attention to the fact that representatives of the under-presented gender have made the technical explanations and presentations, with the aim of making it visible that there are no gender restrictions in the IT industry.

**Role models** - We regularly carry out various activities to ensure that the under-represented gender has the opportunity to appear as role models for people with management ambitions.

**Recruiting** - Job-adds are designed using text and phrases that appeals to the under-represented gender, improving the overall number of applicants.

#### Accounting policies

The gender diversity ratio at other management levels is calculated as the proportion of female managers with responsibility for personnel out of the total number of managers with responsibility for personnel at the other management levels.

#### **Data ethics**

Our data ethics policy includes our data-ethical stance on work with data ethics both internally and in our products and services. The policy thus forms the basis for taking a position on technology choice, data integrity and handling of unintentional bias in data sets.

In support of our policy for data ethics, we have during the accounting period carried out activities that ensure that the policy is an integral part of our work in data ethics matters. Concrete analysis of products with particularly high-risk bias-based decisions are completed.

Our data security and compliance are based primarily on our existing ISAE 3402 Type 2 and ISAE 3000 (GDPR) Type 2, independent audit reports. In addition, we are in the process of establishing an ISO 27001 certified program. Formal training in data ethics are completed for all employees.



Note	Group		Parent		
	2023/24 DKK '000	2022/23 DKK '000	2023/24 DKK '000	2022/23 DKK '000	
1	<b>Revenue</b>	<b>954,637</b>	<b>956,511</b>	<b>730,128</b>	<b>710,689</b>
	Work performed for own account and capitalised	7,806	4,998	7,806	4,998
	Other operating income	26,403	16,524	28,578	16,524
	Direct costs	-277,719	-299,615	-206,044	-220,006
	Other external expenses	-129,512	-102,152	-107,278	-78,076
	<b>Gross profit</b>	<b>581,615</b>	<b>576,266</b>	<b>453,190</b>	<b>434,129</b>
2	Staff costs	-498,366	-472,698	-387,686	-360,787
	<b>Profit before depreciation, amortisation, write-downs and impairment losses</b>	<b>83,249</b>	<b>103,568</b>	<b>65,504</b>	<b>73,342</b>
4	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-32,286	-28,388	-26,978	-22,751
	<b>Operating profit</b>	<b>50,963</b>	<b>75,180</b>	<b>38,526</b>	<b>50,591</b>
5	Income from equity investments in group enterprises	0	0	10,049	22,236
6	Financial income	6,286	11,087	4,491	9,642
7	Financial expenses	-3,536	-3,501	-2,527	-4,899
	<b>Profit before tax</b>	<b>53,713</b>	<b>82,766</b>	<b>50,539</b>	<b>77,570</b>
8	Tax on profit for the year	-13,283	-15,835	-10,109	-10,639
	<b>Profit for the year</b>	<b>40,430</b>	<b>66,931</b>	<b>40,430</b>	<b>66,931</b>
9	Proposed appropriation account				

<b>ASSETS</b>		Group		Parent	
		31.03.24 DKK '000	31.03.23 DKK '000	31.03.24 DKK '000	31.03.23 DKK '000
Note					
	Completed development projects	20,500	17,071	20,500	17,071
	Acquired rights	344	0	344	0
	Goodwill	27,888	36,091	2,247	5,370
10	<b>Total intangible assets</b>	<b>48,732</b>	<b>53,162</b>	<b>23,091</b>	<b>22,441</b>
	Other fixtures and fittings, tools and equipment	58,174	66,148	57,314	65,536
11	<b>Total property, plant and equipment</b>	<b>58,174</b>	<b>66,148</b>	<b>57,314</b>	<b>65,536</b>
12	Equity investments in group enterprises	0	0	62,123	78,952
13	Deposits	3,052	2,925	2,358	2,262
	<b>Total investments</b>	<b>3,052</b>	<b>2,925</b>	<b>64,481</b>	<b>81,214</b>
	<b>Total non-current assets</b>	<b>109,958</b>	<b>122,235</b>	<b>144,886</b>	<b>169,191</b>
14	Work in progress	36,831	19,131	34,422	17,758
	Trade receivables	217,191	215,790	167,457	152,396
	Receivables from group enterprises	19,893	14,500	29,480	36,815
	Deferred tax asset	54	607	0	0
	Income tax receivable	6,892	10,411	3,004	6,276
	Other receivables	1,129	335	998	277
15	Prepayments	24,071	15,523	20,772	13,440
16	<b>Total receivables</b>	<b>306,061</b>	<b>276,297</b>	<b>256,133</b>	<b>226,962</b>
	<b>Cash</b>	<b>74,872</b>	<b>93,003</b>	<b>34,555</b>	<b>20,177</b>
	<b>Total current assets</b>	<b>380,933</b>	<b>369,300</b>	<b>290,688</b>	<b>247,139</b>
	<b>Total assets</b>	<b>490,891</b>	<b>491,535</b>	<b>435,574</b>	<b>416,330</b>

**EQUITY AND LIABILITIES**

Note	Group		Parent		
	31.03.24 DKK '000	31.03.23 DKK '000	31.03.24 DKK '000	31.03.23 DKK '000	
17	Share capital	1,000	1,000	1,000	1,000
	Reserve for net revaluation according to the equity method	0	0	1,796	15,215
	Reserve for development costs	15,990	13,315	15,990	13,315
	Foreign currency translation reserve	-6,232	-5,638	0	0
	Retained earnings	240,916	203,161	232,888	182,308
	<b>Total equity</b>	<b>251,674</b>	<b>211,838</b>	<b>251,674</b>	<b>211,838</b>
18	Provisions for deferred tax	5,275	3,950	5,275	3,950
	<b>Total provisions</b>	<b>5,275</b>	<b>3,950</b>	<b>5,275</b>	<b>3,950</b>
19	Other payables	1,754	6,191	1,754	6,191
	<b>Total long-term payables</b>	<b>1,754</b>	<b>6,191</b>	<b>1,754</b>	<b>6,191</b>
19	Short-term part of long-term payables	1,753	1,268	1,753	1,268
	Payables to other credit institutions	6,540	33,782	6,500	32,531
14	Prepayments received from work in progress for third parties	6,699	9,103	5,644	7,903
	Prepayments received from customers	30,700	38,150	25,678	23,630
	Trade payables	67,300	47,021	50,931	36,783
	Payables to group enterprises	9,086	10,409	16,215	15,072
	Income taxes	1,166	10,979	0	0
	Other payables	108,944	118,844	70,150	77,164
	<b>Total short-term payables</b>	<b>232,188</b>	<b>269,556</b>	<b>176,871</b>	<b>194,351</b>
	<b>Total payables</b>	<b>233,942</b>	<b>275,747</b>	<b>178,625</b>	<b>200,542</b>
	<b>Total equity and liabilities</b>	<b>490,891</b>	<b>491,535</b>	<b>435,574</b>	<b>416,330</b>
20	Contingent liabilities				
21	Related parties				

## Statement of changes in equity

Figures in DKK '000	Share capital	Reserve for net revaluation according to the equity method	Reserve for development costs	Foreign currency translation reserve	Retained earnings
Group:					
Statement of changes in equity for 01.04.22 - 31.03.23					
Balance as at 01.04.22	1,000	0	8,775	3,383	140,770
Foreign currency translation adjustment of foreign enterprises	0	0	0	-9,021	0
Other changes in equity	0	0	4,540	0	-4,540
Net profit/loss for the year	0	0	0	0	66,931
Balance as at 31.03.23	1,000	0	13,315	-5,638	203,161
Statement of changes in equity for 01.04.23 - 31.03.24					
Balance as at 01.04.23	1,000	0	13,315	-5,638	203,161
Foreign currency translation adjustment of foreign enterprises	0	0	0	-594	0
Other changes in equity	0	0	2,675	0	-2,675
Net profit/loss for the year	0	0	0	0	40,430
Balance as at 31.03.24	1,000	0	15,990	-6,232	240,916

## Statement of changes in equity

Figures in DKK '000	Share capital	Reserve for net revaluation according to the equity method	Reserve for development costs	Foreign currency translation reserve	Retained earnings
Parent:					
Statement of changes in equity for 01.04.22 - 31.03.23					
Balance as at 01.04.22	1,000	26,811	8,775	0	117,342
Foreign currency translation adjustment of foreign enterprises	0	-9,021	0	0	0
Distributed dividend from group enterprises	0	-24,811	0	0	24,811
Other changes in equity	0	0	4,540	0	-4,540
Net profit/loss for the year	0	22,236	0	0	44,695
Balance as at 31.03.23	1,000	15,215	13,315	0	182,308
Statement of changes in equity for 01.04.23 - 31.03.24					
Balance as at 01.04.23	1,000	15,215	13,315	0	182,308
Foreign currency translation adjustment of foreign enterprises	0	-594	0	0	0
Distributed dividend from group enterprises	0	-22,874	0	0	22,874
Other changes in equity	0	0	2,675	0	-2,675
Net profit/loss for the year	0	10,049	0	0	30,381
Balance as at 31.03.24	1,000	1,796	15,990	0	232,888

## Consolidated cash flow statement

Note	Group	
	2023/24 DKK '000	2022/23 DKK '000
	<b>40,430</b>	<b>66,931</b>
	<b>40,430</b>	<b>66,931</b>
22	42,819	37,008
Change in working capital:		
Receivables	-28,444	-65,490
Trade payables	20,279	6,881
Other payables relating to operating activities	-19,753	-61,599
	<b>55,331</b>	<b>-16,269</b>
	<b>55,331</b>	<b>-16,269</b>
Interest income and similar income received	6,286	11,087
Interest expenses and similar expenses paid	-3,536	-3,872
Income tax paid	-17,699	-8,972
	<b>40,382</b>	<b>-18,026</b>
	<b>40,382</b>	<b>-18,026</b>
Purchase of intangible assets	-7,373	-8,252
Purchase of property, plant and equipment	-12,727	-44,374
Sale of property, plant and equipment	49	0
Purchase of investments	-148	-543
Sale of investments	11	21
	<b>-20,188</b>	<b>-53,148</b>
	<b>-20,188</b>	<b>-53,148</b>
Incremental/repayment of payables to credit institutions	-27,242	33,782
Repayment of payables to group enterprises	-6,716	-6,342
Repayment of other long-term payables	-3,952	-23,474
	<b>-37,910</b>	<b>3,966</b>
	<b>-37,910</b>	<b>3,966</b>
	<b>-17,716</b>	<b>-67,208</b>
	<b>-17,716</b>	<b>-67,208</b>
Cash, beginning of year	93,003	168,284
Currency adjustment	-415	-8,073
	<b>74,872</b>	<b>93,003</b>
	<b>74,872</b>	<b>93,003</b>
Cash, end of year, comprises:		
Cash	74,872	93,003
	<b>74,872</b>	<b>93,003</b>
	<b>74,872</b>	<b>93,003</b>

	Group		Parent	
	2023/24 DKK '000	2022/23 DKK '000	2023/24 DKK '000	2022/23 DKK '000

## 1. Revenue

Revenue comprises the following activities:

Consultancy	624,870	609,764	432,924	428,012
Others revenue streams	329,767	346,747	297,204	282,677
<b>Total</b>	<b>954,637</b>	<b>956,511</b>	<b>730,128</b>	<b>710,689</b>

Revenue comprises the following geographical markets:

Denmark	633,601	621,618	629,288	621,500
Other Nordic countries	235,087	271,781	35,509	35,382
Other markets	85,949	63,112	65,331	53,807
<b>Total</b>	<b>954,637</b>	<b>956,511</b>	<b>730,128</b>	<b>710,689</b>

## 2. Staff costs

Wages and salaries	461,682	431,325	367,044	342,822
Pensions	24,352	22,071	17,282	15,104
Other social security costs	12,332	19,302	3,360	2,861
<b>Total</b>	<b>498,366</b>	<b>472,698</b>	<b>387,686</b>	<b>360,787</b>

Average number of employees during the year	554	518	421	389
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Remuneration for the management:

Total remuneration for the Executive Board	2,600	2,273	1,799	2,338
Remuneration for the Board of Directors	350	350	350	350

Remuneration for the Executive Board comprises remuneration for the current financial year allocated to the Executive Board's work regarding the NTT Data Business Solutions A/S Group.

Staff costs include profit sharing to employees DKK 4,198k in the group and DKK 3,680k in parent company. The comparable amount in 2022/23 were DKK 6,927k in the group and DKK 5,485k in parent company.

	Group		Parent	
	2023/24 DKK '000	2022/23 DKK '000	2023/24 DKK '000	2022/23 DKK '000

### 3. Fees to auditors appointed by the general meeting

Statutory audit of the financial statements	719	620	551	466
<b>Total</b>	<b>719</b>	<b>620</b>	<b>551</b>	<b>466</b>

### 4. Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment

Amortisation of intangible assets	11,840	11,504	6,918	6,201
Depreciation of property, plant and equipment	20,446	16,884	20,060	16,550
<b>Total</b>	<b>32,286</b>	<b>28,388</b>	<b>26,978</b>	<b>22,751</b>

### 5. Income from equity investments in group enterprises

Share of profit or loss of group enterprises	0	0	13,216	25,659
Amortisation of goodwill	0	0	-3,167	-3,423
<b>Total</b>	<b>0</b>	<b>0</b>	<b>10,049</b>	<b>22,236</b>



	Group		Parent	
	2023/24 DKK '000	2022/23 DKK '000	2023/24 DKK '000	2022/23 DKK '000

## 6. Financial income

Interest, group enterprises	0	0	672	623
Other interest income	3,595	2,656	1,118	588
Foreign currency translation adjustments	0	0	10	0
Other financial income	2,691	8,431	2,691	8,431
<b>Total</b>	<b>6,286</b>	<b>11,087</b>	<b>4,491</b>	<b>9,642</b>

## 7. Financial expenses

Interest, group enterprises	0	0	72	62
Other interest expenses	2,491	896	2,455	865
Foreign currency translation adjustments	1,045	2,605	0	3,972
<b>Total</b>	<b>3,536</b>	<b>3,501</b>	<b>2,527</b>	<b>4,899</b>

## 8. Tax on profit for the year

Current tax for the year	9,748	9,392	7,293	5,510
Adjustment of deferred tax for the year	1,871	6,494	1,325	5,190
Adjustment of tax in respect of previous years	1,664	-51	1,491	-61
<b>Total</b>	<b>13,283</b>	<b>15,835</b>	<b>10,109</b>	<b>10,639</b>

## 9. Proposed appropriation account

Reserve for net revaluation according to the equity method	0	0	10,049	22,236
Retained earnings	40,430	66,931	30,381	44,695
<b>Total</b>	<b>40,430</b>	<b>66,931</b>	<b>40,430</b>	<b>66,931</b>

**10. Intangible assets**

Figures in DKK '000	Completed development projects	Acquired rights	Goodwill
Group:			
Cost as at 01.04.23	21,013	0	109,346
Foreign currency translation adjustments	0	0	-340
Additions during the year	7,147	226	0
Transfers during the year to/from other items	0	207	0
<b>Cost as at 31.03.24</b>	<b>28,160</b>	<b>433</b>	<b>109,006</b>
Amortisation and impairment losses as at 01.04.23	-3,943	0	-73,255
Foreign currency translation adjustments	0	0	181
Amortisation during the year	-3,717	-79	-8,044
Transfers during the year to/from other items	0	-10	0
Amortisation and impairment losses as at 31.03.24	-7,660	-89	-81,118
<b>Carrying amount as at 31.03.24</b>	<b>20,500</b>	<b>344</b>	<b>27,888</b>
Parent:			
Cost as at 01.04.23	21,013	0	47,017
Additions during the year	7,147	226	0
Transfers during the year to/from other items	0	207	0
<b>Cost as at 31.03.24</b>	<b>28,160</b>	<b>433</b>	<b>47,017</b>
Amortisation and impairment losses as at 01.04.23	-3,943	0	-41,648
Amortisation during the year	-3,717	-79	-3,122
Transfers during the year to/from other items	0	-10	0
Amortisation and impairment losses as at 31.03.24	-7,660	-89	-44,770
<b>Carrying amount as at 31.03.24</b>	<b>20,500</b>	<b>344</b>	<b>2,247</b>

Development costs include direct manhours and external consultants regarding the development of new features and updates to the latest technology in several of our software packages.

## 11. Property, plant and equipment

Figures in DKK '000	Other fixtures and fittings, tools and equipment
Group:	
Cost as at 01.04.23	91,758
Foreign currency translation adjustments	-48
Additions during the year	12,727
Disposals during the year	-468
Transfers during the year to/from other items	-207
<b>Cost as at 31.03.24</b>	<b>103,762</b>
Depreciation and impairment losses as at 01.04.23	-25,610
Foreign currency translation adjustments	38
Depreciation during the year	-20,446
Reversal of depreciation of and impairment losses on disposed assets	420
Transfers during the year to/from other items	10
<b>Depreciation and impairment losses as at 31.03.24</b>	<b>-45,588</b>
<b>Carrying amount as at 31.03.24</b>	<b>58,174</b>
Parent:	
Cost as at 01.04.23	110,664
Additions during the year	12,084
Disposals during the year	-49
Transfers during the year to/from other items	-207
<b>Cost as at 31.03.24</b>	<b>122,492</b>
Depreciation and impairment losses as at 01.04.23	-45,129
Depreciation during the year	-20,060
Reversal of depreciation of and impairment losses on disposed assets	1
Transfers during the year to/from other items	10
<b>Depreciation and impairment losses as at 31.03.24</b>	<b>-65,178</b>
<b>Carrying amount as at 31.03.24</b>	<b>57,314</b>

## 12. Equity investments in group enterprises

Figures in DKK '000	Equity invest- ments in group enterprises
Parent:	
Cost as at 01.04.23	56,684
Cost as at 31.03.24	56,684
Revaluations as at 01.04.23	15,215
Foreign currency translation adjustment of foreign enterprises	-594
Net profit/loss from equity investments	10,049
Dividend relating to equity investments	-22,874
Revaluations as at 31.03.24	1,796
Negative equity value impaired in receivables	3,643
Depreciation and impairment losses as at 31.03.24	3,643
Carrying amount as at 31.03.24	62,123
The item comprises goodwill as at 31.03.24 of	18,832
Name and registered office:	
Ownership interest	
Subsidiaries:	
NTT Data Business Solutions AS, Oslo, Norge	100%
NTT Data Business Solutions OY, Espoo, Finland	100%
NTT Data Business Solutions AB, Stockholm, Sverige	100%
NTT Data Business Solutions Consulting AB, Stockholm, Sverige	100%

### 13. Other non-current financial assets

Figures in DKK '000 Deposits

Group:

Cost as at 01.04.23	2,925
Foreign currency translation adjustments	-10
Additions during the year	148
Disposals during the year	-11
<b>Cost as at 31.03.24</b>	<b>3,052</b>
<b>Carrying amount as at 31.03.24</b>	<b>3,052</b>

Parent:

Cost as at 01.04.23	2,262
Additions during the year	105
Disposals during the year	-9
<b>Cost as at 31.03.24</b>	<b>2,358</b>
<b>Carrying amount as at 31.03.24</b>	<b>2,358</b>

	Group		Parent	
	31.03.24	31.03.23	31.03.24	31.03.23
	DKK '000	DKK '000	DKK '000	DKK '000

### 14. Work in progress

Work in progress	219,140	63,660	202,340	46,832
On-account invoicing	-189,008	-53,632	-173,562	-36,977
<b>Total work in progress</b>	<b>30,132</b>	<b>10,028</b>	<b>28,778</b>	<b>9,855</b>
Work in progress	36,831	19,131	34,422	17,758
Prepayments received from work in progress, short-term payables	-6,699	-9,103	-5,644	-7,903
<b>Total</b>	<b>30,132</b>	<b>10,028</b>	<b>28,778</b>	<b>9,855</b>

	Group		Parent	
	31.03.24 DKK '000	31.03.23 DKK '000	31.03.24 DKK '000	31.03.23 DKK '000

### 15. Prepayments

Prepaid costs	24,071	15,523	20,772	13,440
<b>Total</b>	<b>24,071</b>	<b>15,523</b>	<b>20,772</b>	<b>13,440</b>

### 16. Receivables

Receivables which fall due for payment  
more than 1 year after the end of the  
financial year

	0	0	14,558	20,301
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### 17. Share capital

The share capital consists of:

	Quantity	Total nominal value DKK'000
Share capital	1,000	1,000
<b>Total</b>		<b>1,000</b>

	Group		Parent	
	31.03.24 DKK '000	31.03.23 DKK '000	31.03.24 DKK '000	31.03.23 DKK '000

### 18. Deferred tax

Deferred tax as at 01.04.23	3,343	-3,261	3,950	-1,154
Deferred tax recognised in the income statement	1,878	6,604	1,325	5,104
Deferred tax as at 31.03.24	5,221	3,343	5,275	3,950

Deferred tax is recognized in the balance sheet as:

Deferred tax asset	-54	-607	0	0
Provisions for deferred tax	5,275	3,950	5,275	3,950
Total	5,221	3,343	5,275	3,950

Deferred tax is distributed as below:

Intangible assets	4,999	4,489	4,999	4,486
Property, plant and equipment	552	426	606	489
Receivables	-330	-967	-330	-420
Liabilities	0	-605	0	-605
Total	5,221	3,343	5,275	3,950

### 19. Long-term payables

Figures in DKK '000	Repayment first year	Total payables at 31.03.24	Total payables at 31.03.23
Group:			
Other payables	1,753	3,507	7,459
Total	1,753	3,507	7,459
Parent:			
Other payables	1,753	3,507	7,459
Total	1,753	3,507	7,459

## 20. Contingent liabilities

Group:

### *Lease commitments*

The group has concluded lease agreements with terms to maturity of 1 - 44 months and total lease payments of DKK 12,928k, of which DKK 6,652k is due within one year.

Parent:

### *Lease commitments*

The company has concluded lease agreements with terms to maturity of 1 - 44 months and total lease payments of DKK 11,756k, of which DKK 5,481k is due within one year.

## 21. Related parties

Controlling influence

Basis of influence

NTT DATA Business Solutions AG, Bielefeld, Tyskland

parent

Related party transactions with fully owned subsidiaries in NTT DATA Business Solutions A/S group are not disclosed, in accordance to Danish Financial Statements Act § 98c section 3. The parent and NTT DATA Business Solutions A/S group's related party transactions with NTT DATA Business Solutions AG group and Nippon Telegraph and Telephone Corporation group are as follows:

Transactions	Relation	Group	Parent
		2023/24 DKK '000	2023/24 DKK '000
Revenue	Group enterprises	71,376	47,132
Direct cost	Group enterprises	27,483	12,927
Income from administration services	Group enterprises	23,638	20,480
Cost from administration services	Group enterprises	35,076	22,583

Remuneration for the management is specified in note 2. Staff costs.

Receivables and payables to NTT DATA Business Solutions AG group enterprises and Nippon Telegraph and Telephone Corporation group enterprises are disclosed in the balance sheet.

The company is included in the consolidated financial statements of the parents Nippon Telegraph



and Telephone Corporation, Tokyo, Japan and NTT DATA Business Solutions AG, Bielefeld, Tyskland. Consolidated financial statements of NTT DATA Business Solutions AG can be downloaded from the heading "Über uns", "Unsere Zahlen & Fakten" on [www.nttdata-solutions.com/de](http://www.nttdata-solutions.com/de). Consolidated financial statements of Nippon Telegraph and Telephone Corporation can be downloaded from the heading "Investor Relations", "IR Library" on [www.group.NTT](http://www.group.NTT).

	Group	
	2023/24 DKK '000	2022/23 DKK '000
<b>22. Adjustments for the cash flow statement</b>		
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	32,286	28,388
Financial income	-6,286	-11,087
Financial expenses	3,536	3,872
Tax on profit or loss for the year	13,283	15,835
<b>Total</b>	<b>42,819</b>	<b>37,008</b>

### 23. Accounting policies

#### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for large groups and enterprises in reporting class C.

The accounting policies have been applied consistently with previous years.

With reference to The Danish Financial Statements Act's true and fair view, the company has reclassified certain items in the income statement.

Group 2022/23:

Work performed for own account and capitalized DKK 4,998k

Other operating income DKK 1,683k

Other external expenses DKK 14,608k

Staff costs DKK -7,556k

Financial expenses DKK -371k

**23. Accounting policies** - continued -

Parent 2022/23:

Work performed for own account and capitalized DKK 4,998k

Other operating income DKK 1,683k

Other external expenses DKK 11,690k

Staff costs DKK -4,732k

Financial expenses DKK -277k

The reclassifications have no impact on profit before tax, net profit for the year, or equity. Comparative figures have been reclassified accordingly.

**Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

## 23. Accounting policies - continued -

### CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

On recognition of independent foreign entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity under the reserve for net revaluation according to the equity method in respect of investments measured according to the equity method, and otherwise under the foreign currency translation reserve.

Translation adjustments of intercompany balances with independent foreign entities, measured using the equity method and where the balance is considered to be part of the overall investment, are recognised directly in equity under the foreign currency translation reserve. On the divestment of foreign entities, accumulated exchange differences are recognised in the income statement.

### LEASES

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

### INCOME STATEMENT

#### Revenue

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**23. Accounting policies** - continued -

Income from the sale of services is recognised in the income statement in line with completion of services, which means that revenue corresponds to the selling price of the work performed for the year stated on the basis of the stage of completion at the balance sheet date (percentage of completion method).

**Work performed for own account and capitalised**

Work performed for own account and capitalised comprises cost of sales, wages and salaries and other internal expenses incurred during the year and included in the cost of self-constructed or self-produced intangible assets.

**Other operating income**

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of intangible assets and property, plant and equipment.

**Direct costs**

Direct costs comprise purchase of software, sub contractors and other direct costs directly related to revenue.

**Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

**Staff costs**

Staff costs comprise wages and salaries as well as other staff-related costs.

**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

**23. Accounting policies** - continued -

	Useful lives, years	Residual value DKK '000
Completed development projects	6	
Acquired rights	5	0
Goodwill	10	0
Other plant, fixtures and fittings, tools and equipment	3-7	0

Goodwill is amortised over 10 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

**Income from equity investments in group enterprises**

For equity investments in subsidiaries that in the parent are measured using the equity method, the share of the enterprises' profit or loss is recognised in the income statement after elimination of unrealised intercompany profits and losses and less any goodwill amortisation and impairment losses.

Income from equity investments in equity investments in subsidiaries also comprises gains and losses on the sale of equity investments.

**Other net financials**

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

**23. Accounting policies** - continued -**BALANCE SHEET****Intangible assets***Completed development projects*

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

*Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

*Goodwill*

Goodwill is measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Goodwill is amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

*Gains or losses on the disposal of intangible assets*

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

### 23. Accounting policies - continued -

#### Property, plant and equipment

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

#### Equity investments in group enterprises

Equity investments in subsidiaries are recognised and measured according to the equity method in the balance sheet of the parent. For equity investments in subsidiaries, the equity method is considered a consolidation method.

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the income statement at the date incurred.

On subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

Equity investments with a negative carrying amount are measured at DKK 0. Receivables that are considered part of the combined investment in the enterprises in question are impaired by any remaining negative equity value. Other receivables from such enterprises are impaired to the extent that such receivables are considered uncollectible. Provisions to cover the remaining negative equity value are recognised to the extent that the parent has a legal or constructive obligation to cover the liabilities of the enterprise in question.

Goodwill recognised under equity investments is amortised according to the straight-line method

### 23. Accounting policies - continued -

based on an individual assessment of the useful life of the asset. The useful life of goodwill has been determined at 10 years for equity investments in subsidiaries. The useful life has been determined in consideration of the expected future net earnings of the enterprise to which the goodwill relates.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

#### **Impairment losses on fixed assets**

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist. Impairment losses on goodwill are not reversed, unless goodwill is included in the carrying amount of equity investments.

#### **Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.



### **23. Accounting policies** - continued -

Deposits recognised under assets comprise deposits paid to the lessor under leases entered into by the company.

#### **Work in progress**

Work in progress is measured at the selling price of the work performed less on-account invoicing made for each piece of work in progress.

The selling price is measured according to the stage of completion at the balance sheet date and total expected income from each piece of work in progress. The degree of completion for each piece of work in progress is normally calculated as the ratio between the resources spent and the total budgeted resource consumption. For some work in progress where the resource consumption cannot be used as a basis, the ratio between completed subactivities and the combined subactivities for the individual piece of work in progress is used instead.

When the selling price of a piece of work in progress cannot be determined reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual piece of work in progress is recognised under receivables or payables in the balance sheet depending on whether the net value of the selling price less prepayments received is positive or negative.

When it is likely that the total costs of the individual piece of work in progress will exceed total sales income, the total expected loss is recognised as a provision.

#### **Prepayments**

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

#### **Cash**

Cash includes deposits in bank account.

#### **Equity**

The net revaluation of equity investments measured according to the equity method is recognized in the financial statements of the parent in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost. Dividends from subsidiaries which are adopted before adoption of the annual report for NTT DATA Business Solutions A/S are not tied up in the revaluation reserve (simultaneous principle).

**23. Accounting policies** - continued -

An amount equivalent to internally generated development costs in the balance sheet is recognised in the financial statements of the parent in equity under reserve for development costs. The reserve is measured less deferred tax and reduced by amortisation and impairment losses on the asset. If impairment losses on development costs are subsequently reversed, the reserve will be restored with a corresponding amount. The reserve is dissolved when the development costs are no longer recognized in the balance sheet, and the remaining amount will be transferred to retained earnings.

Unrealised foreign currency gains and losses from the translation of the net investment in independent foreign entities are recognised in equity under the foreign currency translation reserve. The reserve is dissolved when the independent foreign entities are disposed of.

**Current and deferred tax**

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities within the same tax jurisdiction or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates in the respective countries which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

**23. Accounting policies** - continued -

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

**CASH FLOW STATEMENT**

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash.

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.