Record sales and EBITA achieved: Global SME sector trusts NTT DATA Business Solutions

Monday 13 May, 2024

Bielefeld-based SAP consultancy marks a milestone in its history as result (EBITA) exceeds EUR 100 million for the first time

- Sales revenues rise by 13.3 percent to a record high of EUR 1.61 billion in the 2023/24 fiscal year
- Strong growth driver: cloud subscription (+42.7%)
- Adjusted EBITA increases by 19.7 percent from EUR 99.2 million to EUR 118.8 million; adjusted EBITA margin at 7.4 percent
- EBITA increases by 4.2 percent to EUR 103.4 million
- Number of employees has more than doubled since 2017
- Very optimistic outlook for the 2024/25 fiscal year: Sales increase of up to 6 percent on a comparable basis expected

Bielefeld – May 13, 2024 – NTT DATA Business Solutions AG achieved the best result in the company's history in the 2023/24 fiscal year. The leading international SAP partner for the SME sector benefited primarily from the high level of trust of its more than 6,000 active customers, who commission the company to deliver end-to-end digital transformation processes. NTT DATA Business Solutions boosted sales by 13.3 percent to reach a new record high of EUR 1.61 billion as at March 31, 2024. Since 2017, the first full year under CEO Norbert Rotter's leadership, the company has recorded significant growth eight times in a row and has nearly doubled its sales.

"I'm delighted that, in our 35th anniversary year, we were able to build seamlessly on the excellent results of the previous fiscal year," said Norbert Rotter, CEO of NTT DATA Business Solutions AG and EVP of NTT DATA, Inc. "Under the umbrella of Japan-based NTT DATA Group, we are continuing to develop successfully into a globally recognized IT service provider. Our customers value our extensive SAP expertise and our complementary offering of ServiceNow or Microsoft. As a leading global SAP partner for the SME sector, we are the right choice when it comes to transforming companies into Intelligent Enterprises."

The current figures also reflect this: In the previous fiscal year, NTT DATA Business Solutions was more successful than ever before, especially in international business. As part of ongoing internationalization, foreign sales as a proportion of total sales increased further from just over 50 percent in 2017 to 57.6 percent in the current reporting period, moving closer towards the 60 percent mark. Sales grew particularly strongly in Western Europe (+18.4% to EUR 227.9 million) and in Northern and Eastern Europe (+23.9% to EUR 316.3 million). In its home market of Germany/Austria/Switzerland, NTT DATA Business Solutions likewise saw a double-digit increase of just over 10 percent to EUR 684.3 million. The company also recorded growth in the Americas (+9.6% to EUR 275.6 million) and APAC (+4.8% to EUR 99.6 million).

In addition, earnings before interest, taxes, and amortization (EBITA) exceeded the three-digit million mark for the first time and climbed by 4.2 percent to the historic high of EUR 103.4 million, which equates to an EBITA margin of 6.4 percent. On an adjusted basis, EBITA was EUR 118.8 million, meaning that an adjusted EBITA margin of 7.4 percent was achieved – a further increase on the previous year's record level of 7.0 percent. The adjustments in the order of EUR 15.4 million are based on the parent company's management fees, which are substantially higher than in the previous year, and on significant acquisition and integration costs for Sapphire Systems. These figures, together with the doubling of the workforce to 15,300 since 2017, mean that the 2023/24 fiscal year is the most successful in the company's history to date.

An absolute driver of growth was once again the cloud subscription sales segment. Here, sales increased by 42.7 percent to EUR 128.4 million. This segment had also performed very well in the previous year with growth of 57.1 percent. Overall, this area has more than doubled in the past two years. In line with this development, licensing business fell by -27 percent, while consulting business and managed services exceeded the previous year's figures, at EUR 770.3 million (+18.2%) and EUR 674.7 million (+7.8%) respectively.

"As a SAP Global Strategic Service Partner, NTT DATA Group has significantly exceeded all sales targets with SAP products in the past fiscal year, particularly in the cloud sector. At NTT DATA Business Solutions, we expect to see continued strong growth in this area and will take an ambitious approach to

Media:



Related Sectors:

Business & Finance :: Computing & Telecoms ::

Related Keywords:

Annual Report :: SAP :: Software :: Technology ::

Scan Me:

pursuing our sales targets," said Norbert Rotter. "Artificial intelligence is another important field of innovation for us. Our SME customers are increasingly using AI solutions in their transformation, which is why we will continue to drive forward this topic based on SAP for them."

In addition to its core business with SAP, the Bielefeld-based company is increasingly focusing on complementary applications. NTT DATA Business Solutions took a major step in this direction last year with the acquisition of Sapphire Systems. Via partnerships with SAP, ServiceNow, Infor SunSystems, HxGN and AWS, the British company provides digital operations software and services for SME customers in the US and UK. The acquisition underscores NTT DATA Business Solutions' efforts to reinforce its position as a leading SAP partner for the SME sector and to position itself as a principal provider both in the SAP SI market for large customers and for advanced digitalization solutions for SME customers. Further acquisitions are planned for the new fiscal year; however, the company does not wish to comment on these at this time.

Jürgen Pürzer, Chief Financial Officer at NTT DATA Business Solutions AG, is optimistic about the future: "After two record years, we don't want to take a break. We're committed to consistently pursuing our growth and earnings targets. We expect sales growth of up to six percent on a comparable basis. To achieve this, we will continue to work with a global cost and efficiency program, invest consciously on behalf of our customers, and offer a compelling range of comprehensive services and products."

Further information is available at nttdata-solutions.com.

About NTT DATA Business Solutions

NTT DATA Business Solutions is a leading global IT service provider focused on the mid-market and SAP. In addition to our core offering, we provide complementary applications, for instance from ServiceNow or Microsoft. With more than 35 years of in-depth experience, we enable companies worldwide to become Intelligent Enterprises. We deliver end-to-end solutions that accelerate sustainable growth and success – from strategic consulting and implementation to managed services and beyond. As a global strategic SAP partner, we drive innovation and leverage the latest technologies to support our customers individually and across all industries. Our more than 15,000 dedicated professionals in over 30 countries are committed to delivering on our promise: We transform. Trust into Value.

NTT DATA Business Solutions is part of NTT DATA, a $30+ billion trusted global innovator of business and technology services headquartered in Tokyo. As One NTT DATA we serve 75% of the Fortune Global 100 and are committed to helping customers innovate, optimize and transform for long-term success. NTT DATA is part of NTT Group.

Financial contact
Katrin Schlegel
Head of Mergers & Acquisitions
NTT DATA Business Solutions AG
Königsbreede 1, 33605 Bielefeld, Germany
Tel.: +49 521 914 48106
Email: katrin.schlegel@nttdata.com

Press contact
Jasmin Straeter
Head of Global Communications
NTT DATA Business Solutions AG
Königsbreede 1, 33605 Bielefeld, Germany
Tel.: +49 521 914 48108
Email: Jasmin.Straeter@nttdata.com

Company Contact:

_

news aktuell

E. desk@newsaktuell.de
W. https://www.newsaktuell.de/

View Online

Additional Assets:

Newsroom: Visit our Newsroom for all the latest stories:
https://www.newsaktuell.pressat.co.uk