

Consolidated Results of Operation for 1st Quarter of Fiscal Year Ending March 2016

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Consolidated Financial Results of Operation for 1st Quarter

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(1) Consolidated Statements of Income

(Millions of yen)

	Apr. 2014- Jun. 2014	Apr. 2015- Jun. 2015	Increase/Decrease	
			Amount	Change (%)
Net Sales	66,569	74,026	7,456	11.2%
Gross Profit	14,644	17,280	2,635	18.0%
(Gross Profit Margin)	(22.0%)	(23.3%)		
SG&A Expenses	11,365	11,839	474	4.2%
Operating Income	3,279	5,440	2,161	65.9%
(Operating Income Margin)	(4.9%)	(7.3%)		
Ordinary Income	3,644	5,830	2,185	60.0%
Profit attributable to owners of parent	3,013	4,395	1,382	45.9%

(2) Sales Comparison by Segment

(Millions of yen)

	Apr. 2014-Jun. 2014	Apr. 2015-Jun. 2015	Increase/Decrease	
			Amount	Change (%)
System Development	27,093 (40.7%)	28,345 (38.3%)	1,252	4.6%
System Maintenance and Operation/ Services	26,758 (40.2%)	28,727 (38.8%)	1,968	7.4%
Packaged Software/ Hardware Sales	11,807 (17.7%)	16,141 (21.8%)	4,333	36.7%
Prepaid Card	910 (1.4%)	812 (1.1%)	-97	-10.7%
Total	66,569 (100.0%)	74,026 (100.0%)	7,456	11.2%

(3) Incoming Orders and Backlog

(Millions of yen)

		Apr. 2014- Jun. 2014	Apr. 2015- Jun. 2015	Increase/Decrease	
				Amount	Change (%)
System Development	Incoming orders	32,367	32,265	-102	-0.3%
	Backlog	25,545	27,555	2,010	7.9%
System Maintenance and Operation/ Services	Incoming orders	28,249	25,902	-2,347	-8.3%
	Backlog	67,959	71,332	3,373	5.0%
Packaged Software /Hardware Sales	Incoming orders	14,383	20,857	6,474	45.0%
	Backlog	9,311	12,967	3,656	39.3%
Total	Incoming orders	74,999	79,024	4,025	5.4%
	Backlog	102,816	111,854	9,038	8.8%

(4) Sales Comparison by Customer Industry

(Millions of yen)

	Apr. 2014-Jun. 2014		Apr. 2015 –Jun. 2015		Increase/ Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	18,722	28.1%	19,153	25.9%	431	2.3%
Distributors	11,513	17.3%	11,757	15.9%	243	2.1%
Financial Institutions	15,244	22.9%	16,063	21.7%	818	5.4%
Banks	5,219	7.8%	5,345	7.2%	126	2.4%
Securities Firms	1,835	2.8%	2,463	3.3%	627	34.2%
Shopping Credit/ Leasing Companies	2,596	3.9%	2,438	3.3%	-158	-6.1%
Insurance Companies	5,593	8.4%	5,816	7.9%	222	4.0%
Communications/ Transportation	9,252	13.9%	13,792	18.6%	4,540	49.1%
Utilities	495	0.7%	645	0.9%	149	30.2%
Services	7,811	11.7%	8,009	10.8%	198	2.5%
Others [※]	3,529	5.3%	4,604	6.2%	1,074	30.5%
Total	66,569	100%	74,026	100%	7,456	11.2%

※Others includes Prepaid Card Business

(5) External Sales and Operating Income by Reported Segment

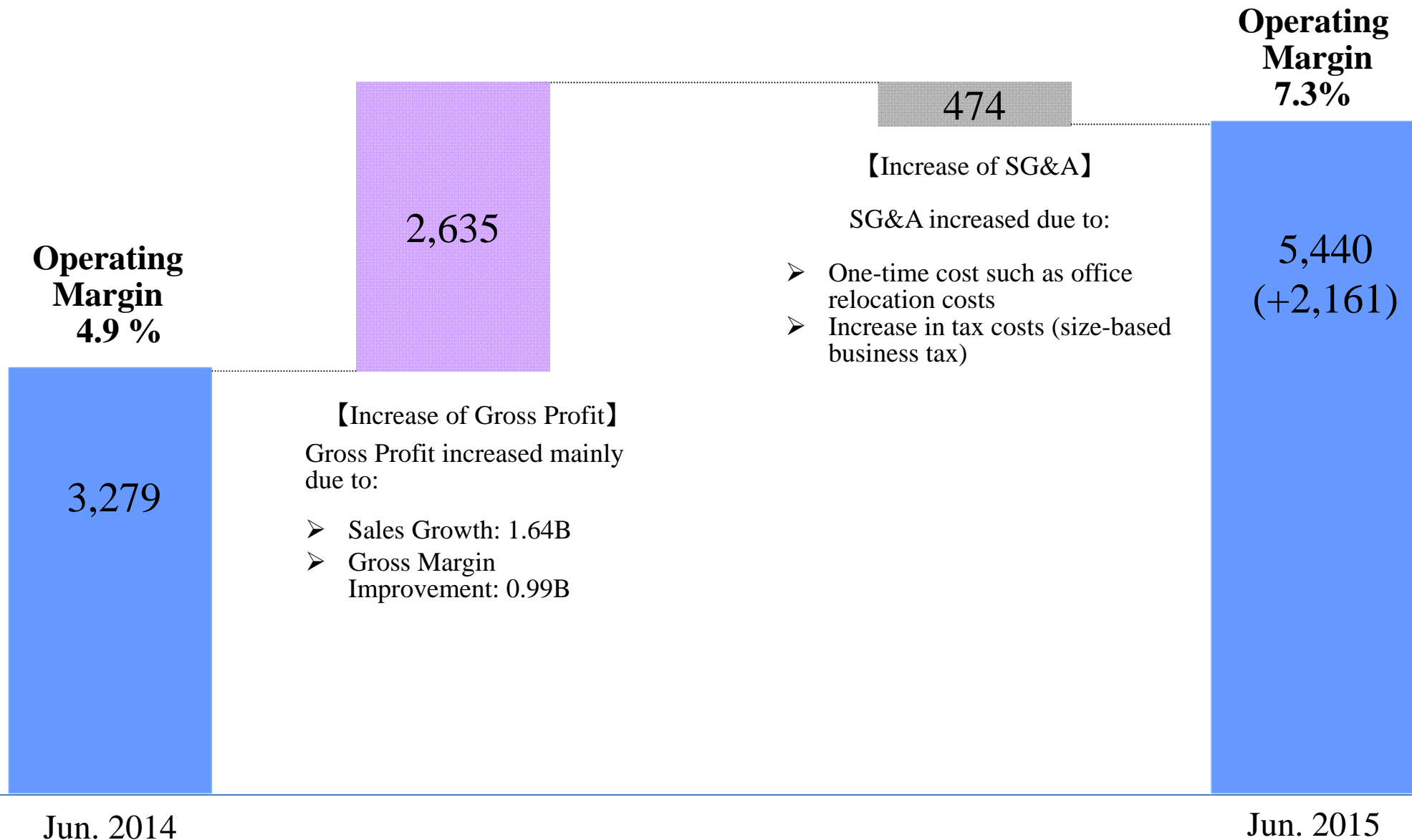
(Millions of yen)

External Sales	Manufacturing Systems	Telecommunication Systems	Distribution Systems	Financial Systems	Business Solution	Business Services	Platform Solution	Prepaid Card	Others	Adjustments	Total
Apr. 2015~ Jun 2015	9,453	6,154	11,278	15,578	4,789	8,610	17,155	812	194	—	74,026
Apr. 2014~ Jun.2014	9,823	6,466	10,533	14,135	4,245	7,910	12,359	910	185	—	66,569
Increase/Decrease (Amount)	-369	-312	745	1,443	544	699	4,795	-97	8	—	7,456
Increase/Decrease (%)	-3.8	-4.8	7.1	10.2	12.8	8.8	38.8	-10.7	4.6	—	11.2

Operating Income	Manufacturing Systems	Telecommunication Systems	Distribution Systems	Financial Systems	Business Solution	Business Services	Platform Solution	Prepaid Card	Others	Adjustments	Total
Apr. 2015~ Jun 2015	322	937	1,473	1,575	223	280	917	91	17	-398	5,440
Apr. 2014~ Jun.2014	302	789	922	1,271	-264	161	258	116	34	-313	3,279
Increase/Decrease (Amount)	19	147	551	303	488	118	659	-25	-17	-84	2,161
Increase/Decrease (%)	6.4	18.7	59.8	23.9	—	73.6	255.5	-21.8	-49.3	—	65.9

(6) Operating Income Analysis

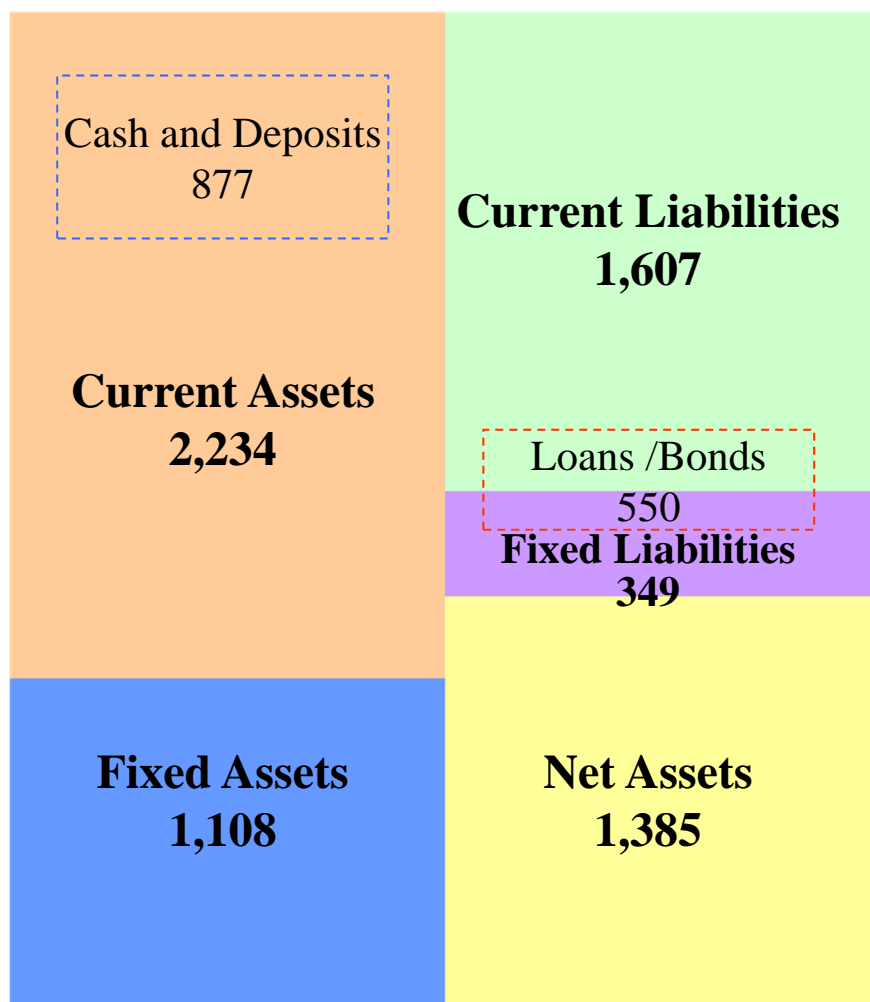
(Millions of yen)



(7) Consolidated Balance Sheet

As of March 31, 2015

Total Assets 3,342

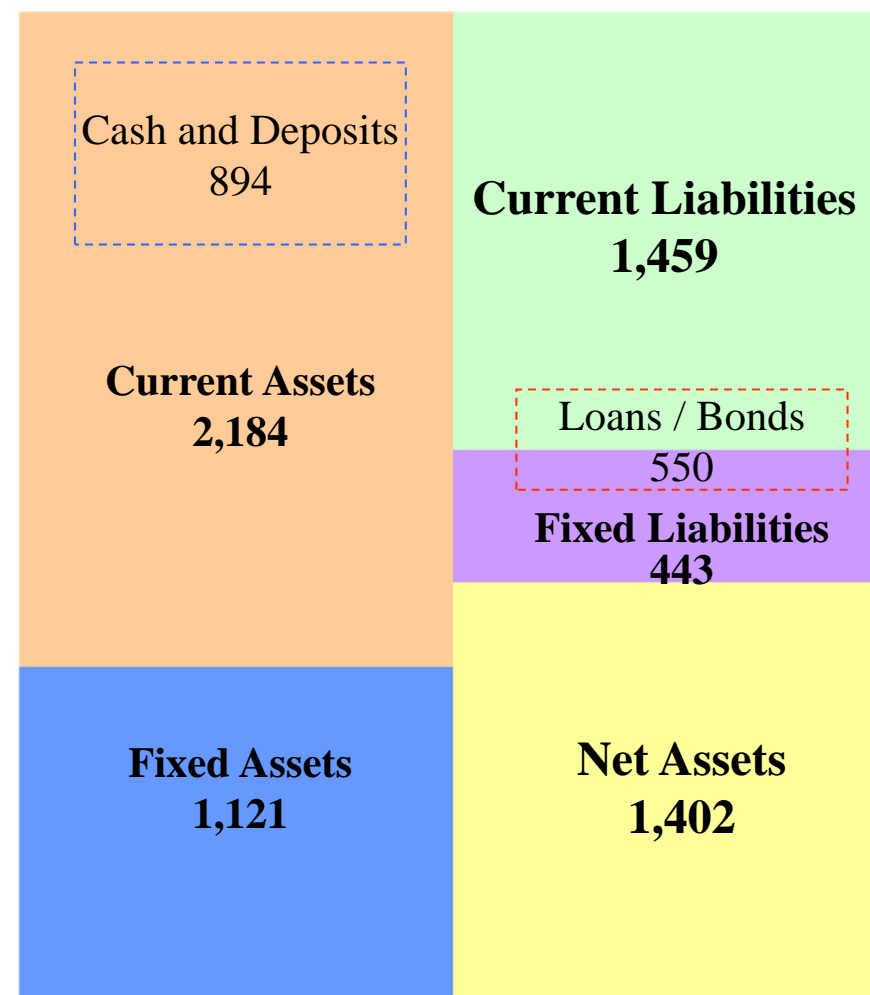


Equity Ratio 39.6%
BPS JPY 1,276.37

As of June 30, 2015

Total Assets 3,306

(100 Million yen)

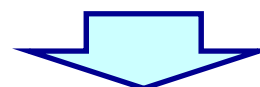


Equity Ratio 40.6%
BPS JPY1,292.42

(8) Revisions to Financial Forecasts for 1st Half of FY2015

Figured displayed with % are year-on-year rate of increase/decrease, i.e.,
1. Apr.- Sep.2015 vs. Apr.- Sep. 2014, and
2. Apr. 2015 - Mar. 2016 vs. Apr. 2014 – Mar. 2015. respectively.

Forecasts at the beginning of the Period	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	JPY / M	%	JPY / M	%	JPY / M	%	JPY / M	%
Apr. 2015~ Sep. 2015	148,500	4.2	11,500	3.2	12,000	0.9	9,300	0.7
Apr. 2015~ Mar. 2016	310,000	4.2	29,000	3.6	30,000	-2.2	22,000	40.7



The figures in red box are revised estimates.
Those in parentheses are the amounts changed.

Forecasts (as of Jun. 30)	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	JPY / M	%	JPY / M	%	JPY / M	%	JPY / M	%
Apr. 2015~ Sep. 2015	<u>153,000</u> [+4,500]	7.4	<u>13,000</u> [+1,500]	16.7	<u>13,500</u> [+1,500]	13.5	<u>10,500</u> [+1,200]	13.7
Apr. 2015~ Mar. 2016	310,000	4.2	29,000	3.6	30,000	-2.2	22,000	40.7

New Medium-Term Management Plan

Core Strategies

Shift to a Service- Oriented
Business

Promote Strategic Business that
Captures the Changing Times

Second Stage of Global
Business Expansion

Strengthen Management Base

1. Seek Operational Quality

2. Improve Business Profitability

3. Enhance Operational Efficiency

4. Pleasant, safe, fulfilling place to work/
Promote health & productivity mgt.

5. Enhance Human Resource
Capabilities

Attention on the use of this document

- We have made amendment of previous year's data in page 5 (Sales Comparison by Customer Industry) to reflect the revision of industry applied to some customers.
- We have made amendment of previous year's data in page 6 (External Sales and Operating Income by Reported Segment) to enable a fair comparison with this year's data under realigned reported segments.

Disclaimer

- This data is intended to provide information about the Group's performance and business strategy and is not intended to solicit the purchase or sales of shares in Group companies.
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