

Consolidated Results of Operation for 3rd Quarter of Fiscal Year Ending March 2014

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Consolidated financial results of operation for 3rd quarter

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(1) Consolidated statements of income

(Millions of yen)

	Apr. 2012- Dec. 2012	Apr. 2013- Dec. 2013	Increase/Decrease	
			Amount	Change (%)
Net Sales	201,400	205,914	4,513	2.2%
Gross Profit	46,460	48,308	1,847	4.0%
(Gross Profit Margin)	(23.1%)	(23.5%)	(0.4%)	—
SG&A Expenses	32,511	33,307	796	2.4%
Operating Income	13,949	15,000	1,051	7.5%
(Operating Income Margin)	(6.9%)	(7.3%)	(0.4%)	—
Ordinary Income	15,145	16,320	1,175	7.8%
Net Income	14,634	12,365	Δ2,268	Δ15.5%

(2) Sales comparison by segment/Incoming orders and backlog

(Millions of yen)

	Apr. 2012-Dec. 2012 (Composition)	Apr. 2013-Dec. 2013 (Composition)	Increase/Decrease	
			Amount	Change (%)
System Development	80,894 (40.2%)	85,978 (41.8%)	5,084	6.3%
System maintenance and operation/ Services	77,377 (38.4%)	80,172 (38.9%)	2,794	3.6%
Packaged Software /Hardware Sales	40,556 (20.1%)	37,503 (18.2%)	△3,052	△7.5%
Prepaid Card	2,572 (1.3%)	2,259 (1.1%)	△313	△12.2%
Total	201,400 (100.0%)	205,914 (100.0%)	4,513	2.2%
[Incoming Orders] System Development	78,613	87,339	8,726	11.1%
[Backlog] System Development	22,612	24,180	1,568	6.9%

(3) Sales comparison by customer industry

(Millions of yen)

	Apr. 2012-Dec. 2012		Apr. 2013 –Dec. 2013		Increase/ Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	58,677	29.1%	60,413	29.3%	1,735	3.0%
Distributors	33,792	16.8%	34,934	17.0%	1,141	3.4%
Financial Institutions	42,391	21.0%	45,431	22.1%	3,040	7.2%
Banks	14,163	7.0%	15,157	7.4%	994	7.0%
Securities Firms	5,368	2.7%	5,564	2.7%	196	3.7%
Shopping Credit/ Leasing Companies	6,767	3.4%	7,012	3.4%	245	3.6%
Insurance Companies	16,092	8.0%	17,697	8.6%	1,604	10.0%
Communications/ Transportation	28,068	13.9%	26,449	12.8%	Δ1,619	Δ5.8%
Utilities	1,326	0.7%	1,201	0.6%	Δ125	Δ9.4%
Services	27,031	13.4%	26,557	12.9%	Δ474	Δ1.8%
Others*	10,111	5.0%	10,926	5.3%	814	8.1%
Total	201,400	100.0%	205,914	100.0%	4,513	2.2%

* "Others" include sales of prepaid card business.

(4) Business performance by reported segment

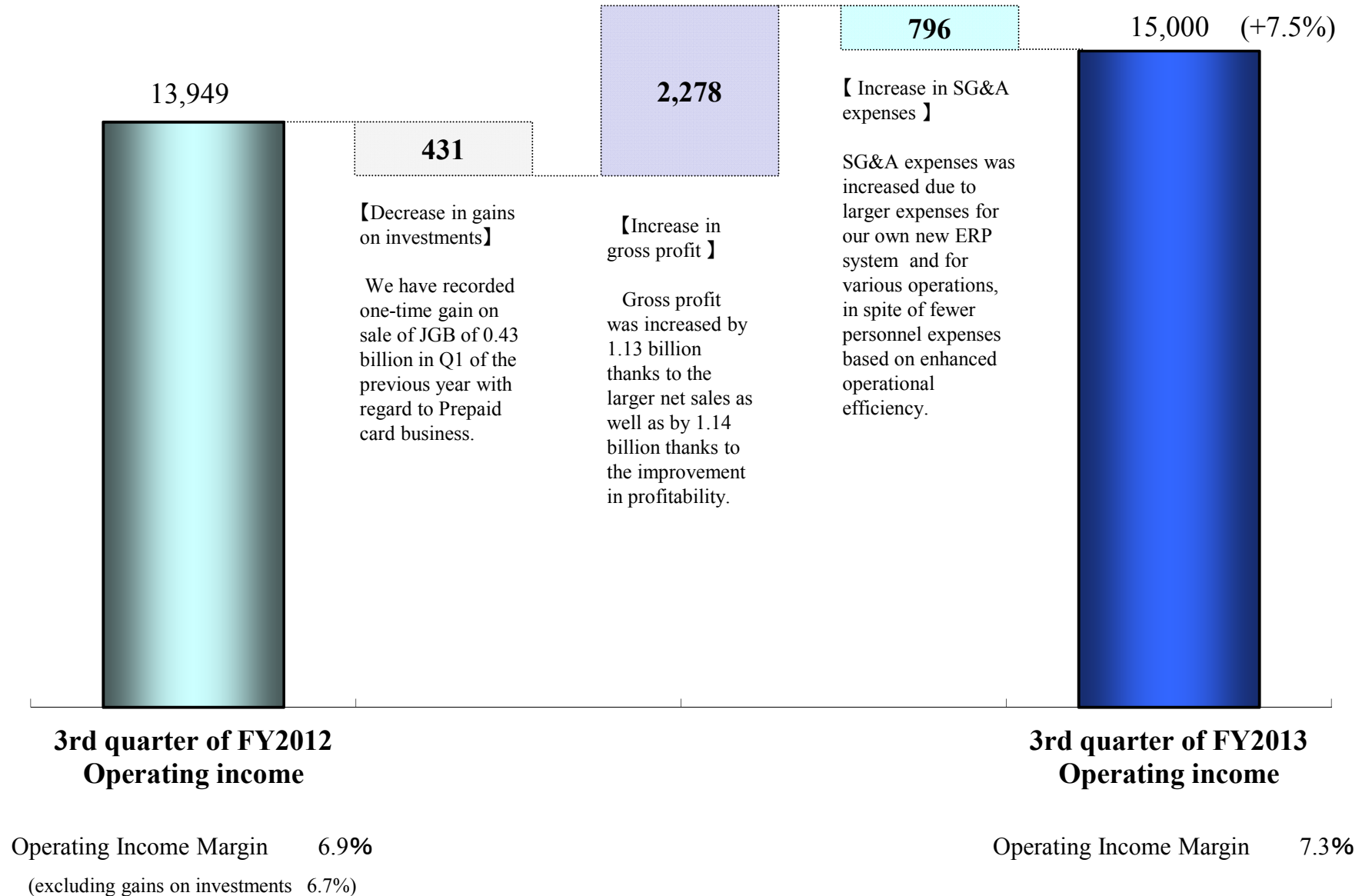
		Apr. 2012 –Dec. 2012	Apr. 2013 –Dec. 2013	Increase/ Decrease	Change (%)
Industrial Systems Business	External Sales	51,942	50,048	Δ1,894	Δ3.6%
	Operating Income	3,415	3,064	Δ350	Δ10.3%
Financial Systems Business	External Sales	37,358	40,490	3,131	8.4%
	Operating Income	3,094	3,897	803	26.0%
Global Systems Business	External Sales	8,542	10,056	1,514	17.7%
	Operating Income	1,400	1,433	32	2.3%
Business Solutions	External Sales	11,175	11,957	781	7.0%
	Operating Income	1,303	1,169	Δ134	Δ10.3%
Business Services	External Sales	23,192	23,747	554	2.4%
	Operating Income	690	1,183	492	71.4%
IT Management	External Sales	26,240	27,537	1,296	4.9%
	Operating Income	2,089	2,481	392	18.8%
IT Platform Solutions	External Sales	39,765	39,229	Δ535	Δ1.3%
	Operating Income	2,019	2,236	217	10.7%
Prepaid Card Business	External Sales	2,572	2,259	Δ313	Δ12.2%
	Operating Income	573	123	Δ450	Δ78.5%
Others	External Sales	610	586	Δ23	Δ3.8%
	Operating Income	205	153	Δ51	Δ25.3%
Adjustment	External Sales	—	—	—	—
	Operating Income	Δ842	Δ742	100	—
Total	External Sales	201,400	205,914	4,513	2.2%
	Operating Income	13,949	15,000	1,051	7.5%

(Millions of yen)

*Internal Sales have been eliminated.

(5) Operating income analysis

(Millions of yen)

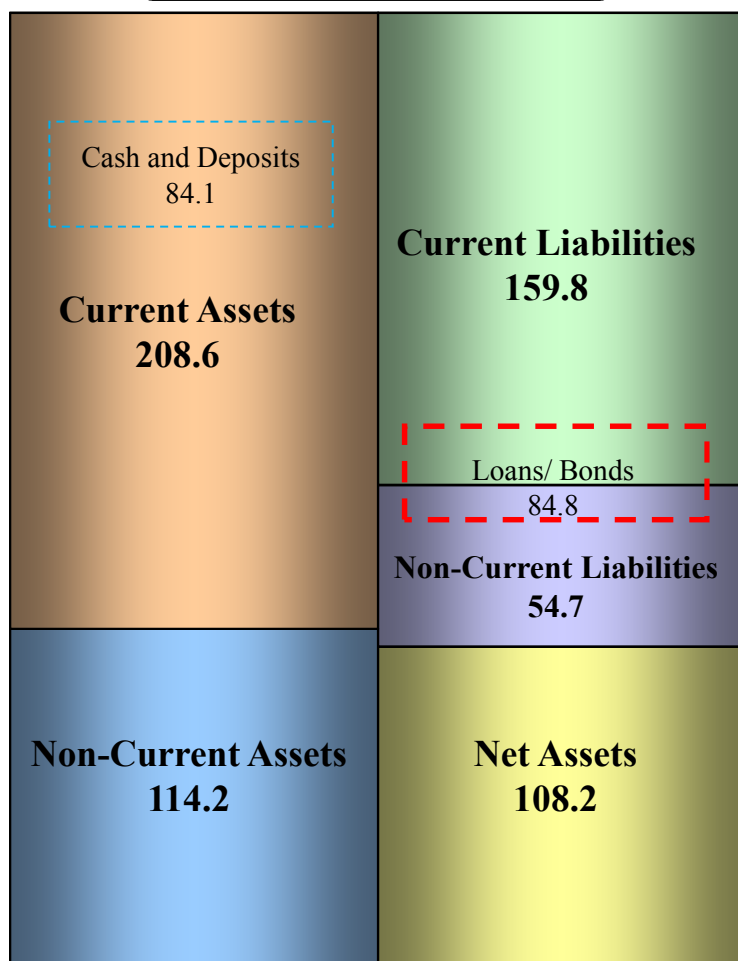


(6) Consolidated balance sheet

(Billions of yen)

As of March 31, 2013

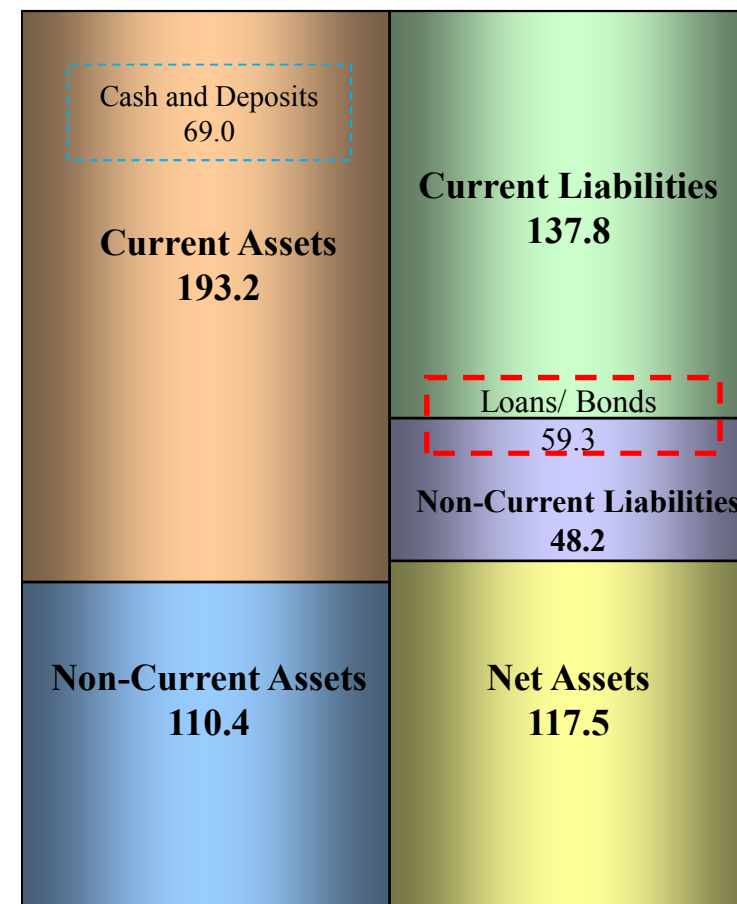
Total Assets 322.8



Equity ratio 31.8%
BPS 991.48 yen

As of December 31, 2013

Total Assets 303.6



Equity ratio 36.9%
BPS 1,080.60 yen

■ **Core strategies**

Pursue cross-selling

Expand global solution business

Strengthen cloud solution business

■ **Key initiative**

Care about our people

Attention on the use of this document

1. We have made amendment of previous year's data in page 4 (sales comparison by customer industry) to reflect the revision of industry applied to some customers.
2. We have made amendment of previous year's data in page 5 (business performance by reported segment) to enable a fair comparison with this year's data under realigned reported segments.

Disclaimer

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