



Create Our Future of Dreams

Financial results for FY2013 and financial forecast for FY2014

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I. (1) Consolidated statements of income

(Millions of yen)

	Apr. 2012- Mar. 2013	Apr. 2013- Mar. 2014	Increase/Decrease	
			Amount	Change (%)
Net Sales	278,634	288,236	9,602	3.4%
Gross Profit	64,466	68,724	4,257	6.6%
(Gross Profit Margin)	(23.1%)	(23.8%)		
SG&A Expenses	43,663	44,749	1,086	2.5%
Operating Income	20,803	23,974	3,171	15.2%
(Operating Income Margin)	(7.5%)	(8.3%)		
Ordinary Income	22,228	25,690	3,462	15.6%
Net Income	16,730	18,387	1,657	9.9%

I. (2) Sales comparison by segment

(Millions of yen)

	Apr. 2012-Mar. 2013 (Composition)	Apr. 2013-Mar. 2014 (Composition)	Increase/Decrease	
			Amount	Change (%)
System Development	112,316 (40.3%)	117,597 (40.8%)	5,281	4.7%
System Maintenance and Operation/ Services	104,284 (37.4%)	107,577 (37.3%)	3,292	3.2%
Packaged Software /Hardware Sales	58,731 (21.1%)	60,019 (20.8%)	1,287	2.2%
Prepaid Card	3,302 (1.2%)	3,042 (1.1%)	-259	-7.9%
Total	278,634 (100.0%)	288,236 (100.0%)	9,602	3.4%

I. (3) Incoming orders and backlog

(Millions of yen)

		Apr. 2012- Mar. 2013 (Composition)	Apr. 2013- Mar. 2014 (Composition)	Increase/Decrease	
				Amount	Change (%)
System Development	Incoming orders	110,242	115,050	4,808	4.4%
	Backlog	22,819	20,272	-2,547	-11.2%
System Maintenance and Operation/ Services	Incoming orders	109,524	109,455	-69	-0.1%
	Backlog	64,590	66,468	1,878	2.9%
Packaged Software /Hardware Sales	Incoming orders	55,960	61,168	5,208	9.3%
	Backlog	5,587	6,736	1,149	20.6%
Total	Incoming orders	275,727	285,674	9,947	3.6%
	Backlog	92,997	93,476	479	0.5%

I. (4) Sales comparison by customer industry

(Millions of yen)

	Apr. 2012-Mar. 2013		Apr. 2013 –Mar. 2014		Increase/ Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	80,578	28.9%	84,360	29.3%	3,782	4.7%
Distributors	46,216	16.6%	47,117	16.3%	900	1.9%
Financial Institutions	58,685	21.1%	62,390	21.6%	3,705	6.3%
Banks	19,734	7.1%	20,788	7.2%	1,053	5.3%
Securities Firms	6,990	2.5%	7,243	2.5%	253	3.6%
Shopping Credit/ Leasing Companies	9,813	3.5%	10,031	3.5%	218	2.2%
Insurance Companies	22,146	7.9%	24,326	8.4%	2,179	9.8%
Communications/ Transportation	38,099	13.7%	37,545	13.0%	-553	-1.5%
Utilities	2,089	0.8%	1,885	0.7%	-204	-9.8%
Services	36,835	13.2%	35,837	12.4%	-998	-2.7%
Others [※]	16,129	5.8%	19,098	6.6%	2,969	18.4%
Total	278,634	100.0%	288,236	100.0%	9,602	3.4%

※ “Others” include sales of prepaid card business.

I. (5) Business performance by reported segment

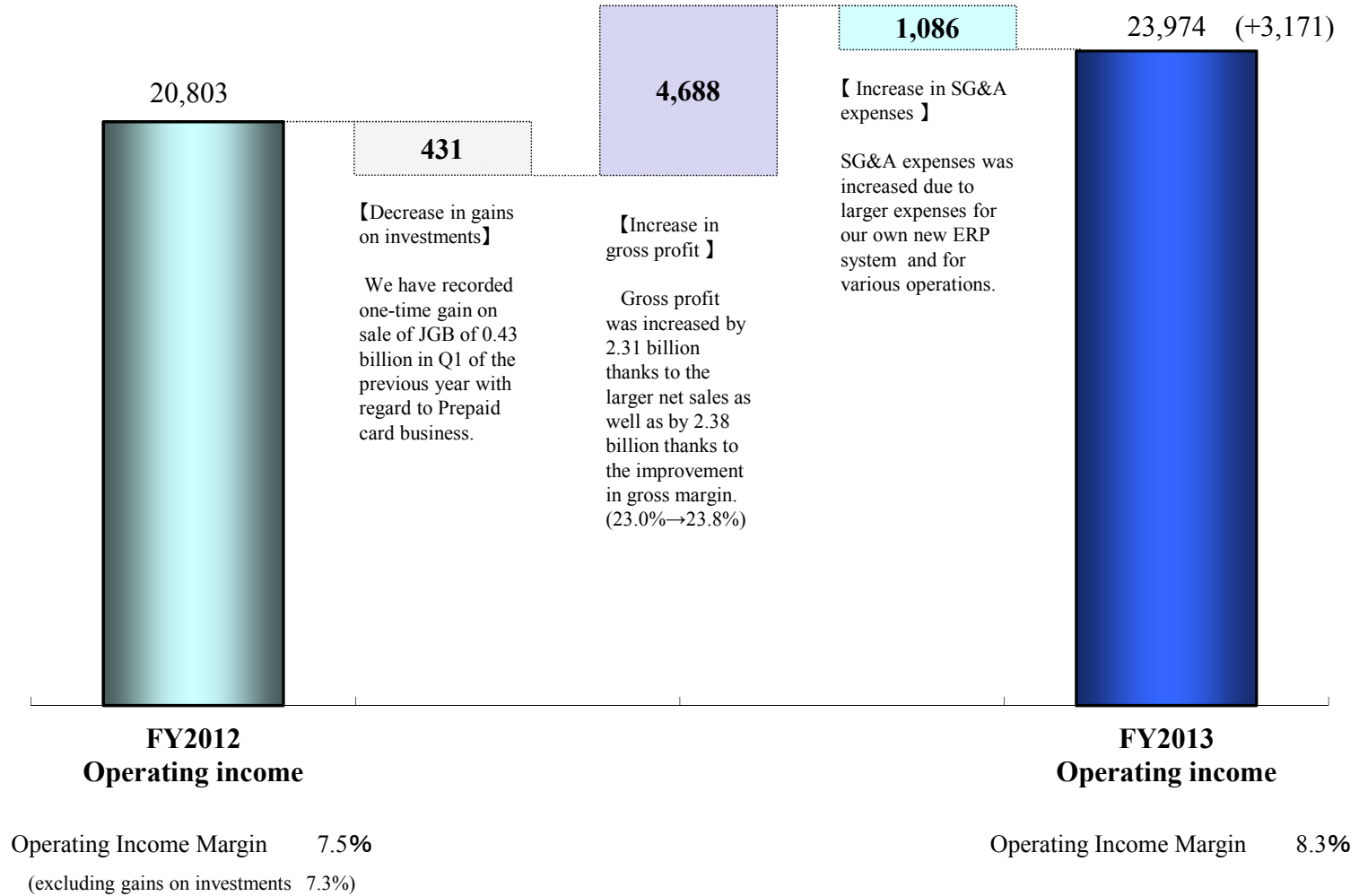
(Millions of yen)

		Apr. 2012 –Mar. 2013	Apr. 2013 –Mar. 2014	Increase/ Decrease	Change (%)
Industrial Systems Business	External Sales	70,200	68,847	-1,353	-1.9%
	Operating Income	4,844	5,476	631	13.0%
Financial Systems Business	External Sales	51,855	55,176	3,321	6.4%
	Operating Income	4,553	5,879	1,326	29.1%
Global Systems Business	External Sales	12,102	13,922	1,820	15.0%
	Operating Income	1,975	1,956	-19	-1.0%
Business Solutions	External Sales	15,358	15,947	589	3.8%
	Operating Income	1,748	1,543	-204	-11.7%
Business Services	External Sales	31,208	31,854	645	2.1%
	Operating Income	996	1,524	528	53.1%
IT Management	External Sales	35,748	37,358	1,609	4.5%
	Operating Income	3,148	3,889	741	23.6%
IT Platform Solutions	External Sales	58,028	61,293	3,264	5.6%
	Operating Income	3,615	4,445	830	23.0%
Prepaid Card Business	External Sales	3,302	3,042	-259	-7.9%
	Operating Income	572	148	-423	-74.1%
Others	External Sales	829	793	-35	-4.2%
	Operating Income	286	265	-21	-7.4%
Adjustment	External Sales	—	—	—	—
	Operating Income	-936	-1,155	-219	—
Total	External Sales	278,634	288,236	9,602	3.4%
	Operating Income	20,803	23,974	3,171	15.2%

*Internal Sales have been eliminated.

I. (6) Operating income analysis

(Millions of yen)



I. (7) Consolidated balance sheet

(Billions of yen)

As of March 31, 2013

Total Assets 322.8

Cash and Deposits 84.1	Current Assets 208.6	Current Liabilities 159.8
Loans/ Bonds 84.8	Non-Current Assets 114.2	Non-Current Liabilities 54.7
Net Assets 108.2		

Equity ratio 31.8%
BPS 991.48 yen

As of March 31, 2014

Total Assets 317.9

Cash and Deposits 78.0	Current Assets 210.8	Current Liabilities 145.5
Loans/ Bonds 57.0	Non-Current Assets 107.0	Non-Current Liabilities 46.2
Net Assets 126.1		

Equity ratio 37.9%
BPS 1,161.29 yen

II. Consolidated financial forecast for FY 2014

(Millions of yen)

	Apr. 2013- Mar. 2014	Apr. 2014- Mar. 2015	Increase/Decrease	
			Amount	Change (%)
Net Sales	288,236	300,000	11,763	4.1%
Gross Profit	68,724	73,000	4,275	6.2%
(Gross Profit Margin)	(23.8%)	(24.3%)		
SG&A Expenses	44,749	45,500	750	1.7%
Operating Income	23,974	27,500	3,525	14.7%
(Operating Income Margin)	(8.3%)	(9.2%)		
Ordinary Income	25,690	28,000	2,309	9.0%
Net Income	18,387	22,000	3,612	19.6%

Pursue cross-selling

Expand global solution business

Strengthen cloud solution business

IV. Dividend Forecast for FY2014

(Millions of yen)

	FY2012	FY2013	FY2014 (Forecast)
Annual dividend per share	36 yen	40 yen	50 yen
Total dividend amount	3,740	4,159	5,187
Net income	16,730	18,387	22,000
Payout ratio	22.3%	22.6%	23.6%

<reference : estimates on normal tax rate basis >

<i>Estimated net income</i>	10,000	11,800	16,500
<i>Estimated payout ratio</i>	37%	35%	31%

Attention on the use of this document

1. 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.
2. We have made amendment of previous year's data in page 6 (business performance by reported segment) to enable a fair comparison with this year's data under realigned reported segments.

Disclaimer

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