

Consolidated results of operation for 2nd quarter of fiscal year ending March 2015

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Consolidated financial results of operation for 2nd quarter

(1) Consolidated statements of income	••••	P2
(2) Sales comparison by segment	••••	P3
(3) Incoming orders and backlog	••••	P4
(4) Sales comparison by customer industry	••••	P5
(5) Business performance by reported segment	••••	P6
(6) Operating income analysis	••••	P7
(7) Consolidated balance sheet	••••	P8
(8) Core strategy	••••	P9

(1) Consolidated statements of income

(Millions of yen)

	Apr. 2013- Sep. 2013	Apr. 2014- Sep. 2014	Increase/Decrease	
			Amount	Change (%)
Net Sales	137,122	142,524	5,401	3.9%
Gross Profit	31,944	33,443	1,499	4.7%
(Gross Profit Margin)	(23.3%)	(23.5%)		
SG&A Expenses	22,157	22,301	143	0.6%
Operating Income	9,786	11,141	1,355	13.9%
(Operating Income Margin)	(7.1%)	(7.8%)		
Ordinary Income	10,664	11,891	1,226	11.5%
Net Income	8,126	9,235	1,109	13.7%

(2) Sales comparison by segment

(Millions of yen)

	Apr. 2013-Sep. 2013 (Composition)	Apr. 2014-Sep. 2014 (Composition)	Increase/Decrease	
			Amount	Change (%)
System Development	57,027 (41.6%)	57,657 (40.5%)	630	1.1%
System maintenance and operation/ Services	52,720 (38.4%)	54,299 (38.1%)	1,578	3.0%
Packaged Software /Hardware Sales	25,907 (18.9%)	28,794 (20.2%)	2,886	11.1%
Prepaid Card	1,467 (1.1%)	1,773 (1.2%)	305	20.8%
Total	137,122 (100.0%)	142,524 (100.0%)	5,401	3.9%

(3) Incoming orders and backlog

(Millions of yen)

		Apr. 2013- Sep. 2013 (Composition)	Apr. 2014- Sep. 2014 (Composition)	Increase/Decrease	
				Amount	Change (%)
System Development	Incoming orders	58,161	63,328	5,167	8.9%
	Backlog	23,953	25,942	1,989	8.3%
System maintenance and operation/ Services	Incoming orders	47,519	53,488	5,969	12.6%
	Backlog	59,389	65,657	6,268	10.6%
Packaged Software /Hardware Sales	Incoming orders	27,333	29,871	2,538	9.3%
	Backlog	7,012	7,813	801	11.4%
Total	Incoming orders	133,013	146,687	13,674	10.3%
	Backlog	90,354	99,413	9,058	10.0%

(4) Sales comparison by customer industry

(Millions of yen)

	Apr. 2013-Sep. 2013		Apr. 2014 –Sep. 2014		Increase/ Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	40,111	29.3%	42,103	29.5%	1,992	5.0%
Distributors	22,993	16.8%	21,929	15.4%	-1,063	-4.6%
Financial Institutions	30,044	21.9%	30,839	21.6%	795	2.6%
Banks	9,847	7.2%	10,700	7.5%	853	8.7%
Securities Firms	3,651	2.7%	3,658	2.6%	6	0.2%
Shopping Credit/ Leasing Companies	4,812	3.5%	4,954	3.5%	142	3.0%
Insurance Companies	11,733	8.6%	11,526	8.1%	-206	-1.8%
Communications/ Transportation	17,851	13.0%	21,330	15.0%	3,478	19.5%
Utilities	825	0.6%	1,063	0.7%	238	28.9%
Services	17,649	12.9%	17,970	12.6%	320	1.8%
Others※	7,647	5.6%	7,286	5.1%	-361	-4.7%
Total	137,122	100.0%	142,524	100.0%	5,401	3.9%

※ “Others” include sales of prepaid card business.

(5) Business performance by reported segment

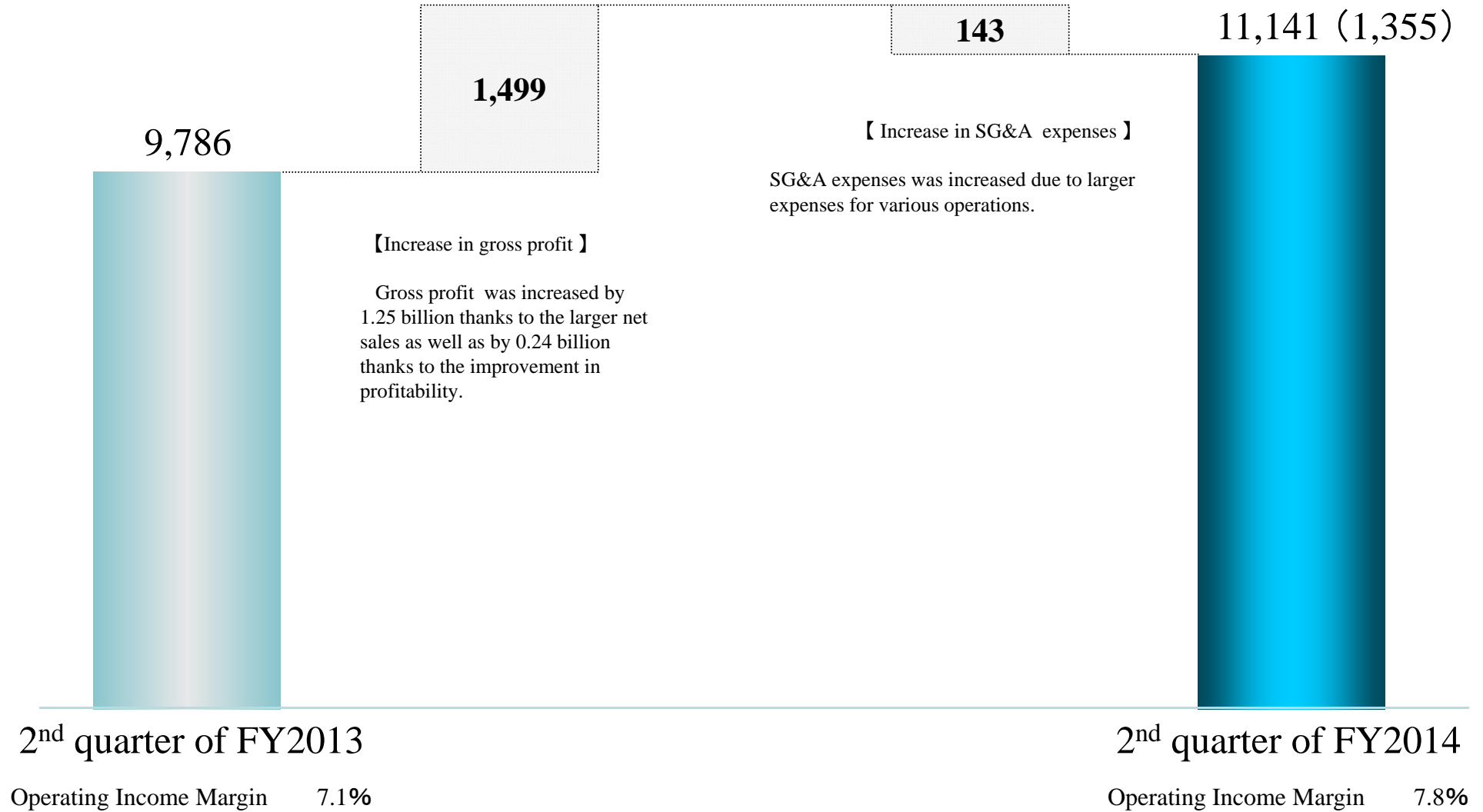
(Millions of yen)

		Apr. 2013–Sep. 2013	Apr. 2014 –Sep. 2014	Increase/ Decrease	Change (%)
Industrial Systems Business	External Sales	33,478	35,936	2,457	7.3%
	Operating Income	2,148	2,641	493	22.9%
Financial Systems Business	External Sales	26,664	26,701	36	0.1%
	Operating Income	2,419	2,594	175	7.2%
Global Systems Business	External Sales	6,494	6,132	-361	-5.6%
	Operating Income	1,028	746	-282	-27.5%
Business Solutions	External Sales	8,182	6,945	-1,237	-15.1%
	Operating Income	741	437	-303	-41.0%
Business Services	External Sales	15,351	16,355	1,003	6.5%
	Operating Income	683	951	268	39.3%
IT Management	External Sales	18,308	19,635	1,326	7.2%
	Operating Income	1,592	2,208	616	38.7%
IT Platform Solutions	External Sales	26,780	28,664	1,883	7.0%
	Operating Income	1,463	1,836	372	25.5%
Prepaid Card Business	External Sales	1,467	1,773	305	20.8%
	Operating Income	93	210	117	126.2%
Others	External Sales	393	380	-13	-3.3%
	Operating Income	92	134	41	45.2%
Adjustment	External Sales	—	—	—	—
	Operating Income	-476	-620	-143	—
Total	External Sales	137,122	142,524	5,401	3.9%
	Operating Income	9,786	11,141	1,355	13.9%

*Internal Sales have been eliminated.

(6) Operating income analysis

(Millions of yen)

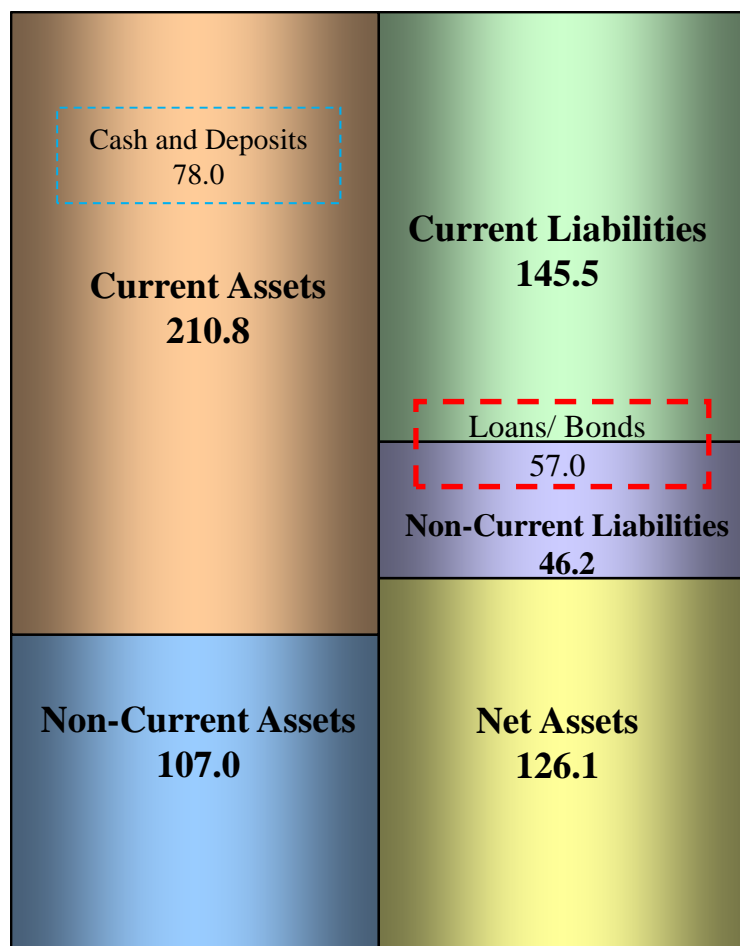


(7) Consolidated balance sheet

(Billions of yen)

As of March 31, 2014

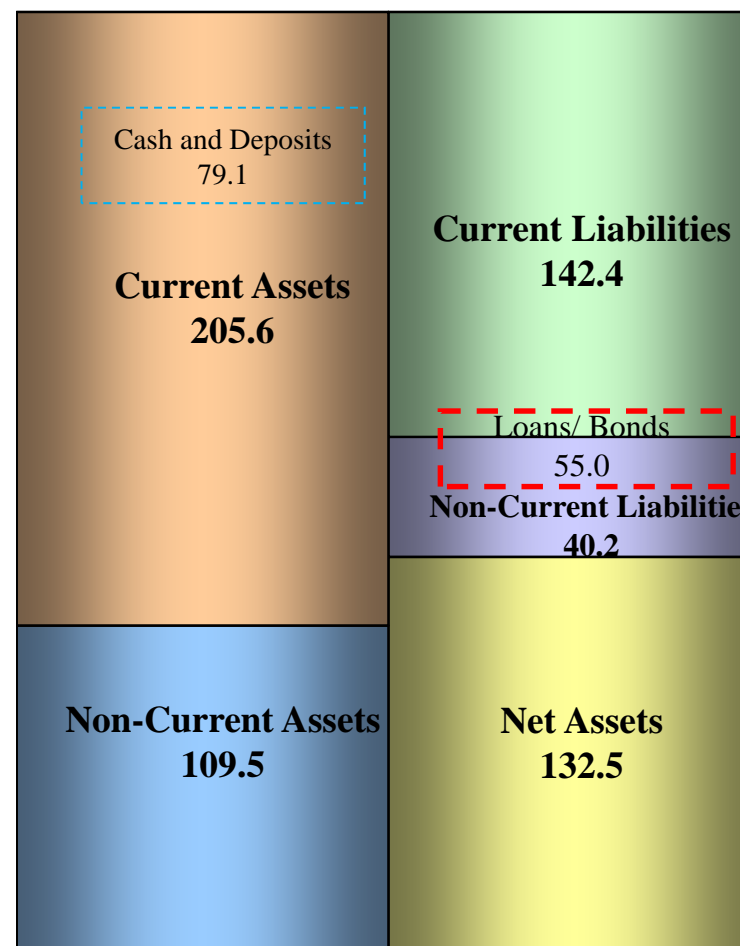
Total Assets 317.9



Equity ratio 37.9%
BPS 1,161.29 yen

As of September 30, 2014

Total Assets 315.2



Equity ratio 40.2%
BPS 1,222.17 yen

Pursue cross-selling

Expand global solution business

Strengthen cloud solution business

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.

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