



SCSK Corporation
Supplementary Information (Data Book)

2017/4/1-2017/9/30

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Financial Review (Consolidated)

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Caution Concerning Forward-Looking Statements

- This information is intended to provide information about the Group's performance and business strategy and is not intended to solicit the purchase or sale of shares in Group companies.
- Estimates, targets and outlooks included in this report are forward-looking statements based on information available as of the date of publication. Results and outcomes may differ materially from the forward-looking statements and no guarantee is made that targets will be reached. All such statements are subject to change without notice.
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I Sales by Segment

- Quarterly trends -

(Millions of yen)

FY2017	Q1		Q2	
	Amount	%	Amount	%
Net Sales	77,219	100.0	86,246	100.0
Systems Development	29,559	38.3	32,929	38.2
System Maintenance and Operation/ Services	31,313	40.6	32,247	37.4
Packaged Software/ Hardware Sales	15,448	20.0	20,076	23.3
Prepaid Card Business	898	1.2	993	1.2

1st half	
Amount	%
163,466	100.0
62,489	38.2
63,560	38.9
35,524	21.7
1,892	1.2

FY2016	Q1		Q2		Q3		Q4		1st half		Q3 total		2nd half		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	75,352	100.0	82,059	100.0	81,634	100.0	90,255	100.0	157,412	100.0	239,047	100.0	171,890	100.0	329,303	100.0
Systems Development	29,735	39.5	32,222	39.3	31,314	38.4	33,778	37.4	61,957	39.4	93,272	39.0	65,093	37.9	127,051	38.6
System Maintenance and Operation/ Services	30,438	40.4	31,337	38.2	31,761	38.9	32,263	35.7	61,776	39.2	93,538	39.1	64,025	37.2	125,802	38.2
Packaged Software/ Hardware Sales	14,351	19.0	17,787	21.7	17,740	21.7	23,268	25.8	32,138	20.4	49,878	20.9	41,008	23.9	73,147	22.2
Prepaid Card Business	826	1.1	712	0.9	818	1.0	944	1.0	1,539	1.0	2,357	1.0	1,762	1.0	3,302	1.0

Increase / Decrease	Q1		Q2	
	Amount	%	Amount	%
Net Sales	1,866	2.5	4,186	5.1
Systems Development	- 176	- 0.6	707	2.2
System Maintenance and Operation/ Services	874	2.9	909	2.9
Packaged Software/ Hardware Sales	1,096	7.6	2,288	12.9
Prepaid Card Business	71	8.6	280	39.4

1st half	
Amount	%
6,053	3.8
531	0.9
1,784	2.9
3,385	10.5
352	22.9

II Sales by customer industry

(Millions of yen)

	FY2016 Apr.2016-Sept.2016		FY2017 Apr.2017-Sept.2017		Increase/Decrease	
	Amount	%	Amount	%	Amount	change(%)
Manufacturers	44,054	28.0	44,253	27.1	198	0.5
Distributors	25,059	15.9	26,158	16.0	1,099	4.4
Financial Institutions	37,335	23.7	36,649	22.4	- 685	- 1.8
Banks	12,198	7.7	11,753	7.2	- 445	- 3.7
Securities Firms	5,105	3.2	5,590	3.4	484	9.5
Shopping Credit/ Leasing Companies	6,176	3.9	6,048	3.7	- 128	- 2.1
Insurance Companies	13,854	8.8	13,258	8.1	- 596	- 4.3
Communications/ Transportation	23,998	15.2	28,448	17.4	4,449	18.5
Utilities	1,711	1.1	1,871	1.1	160	9.4
Services	16,919	10.7	16,445	10.1	- 474	- 2.8
Others	8,333	5.3	9,638	5.9	1,305	15.7
Total	157,412	100.0	163,466	100.0	6,053	3.8

**"Others" include sales of prepaid card business

* We made a partial amendment in previously disclosed data

III Sales by segment & customer industry (Systems Development)

(Millions of yen)

	FY2016 Apr.2016-Sept.2016		FY2017 Apr.2017-Sept.2017		Increase/Decrease	
	Amount	%	Amount	%	Amount	change(%)
Manufacturers	14,810	23.9	15,059	24.1	249	1.7
Distributors	5,459	8.8	5,739	9.2	280	5.1
Financial Institutions	27,925	45.1	26,698	42.7	- 1,227	- 4.4
Banks	9,149	14.8	8,774	14.0	- 375	- 4.1
Securities Firms	3,861	6.2	4,172	6.7	311	8.1
Shopping Credit/ Leasing Companies	3,493	5.6	2,917	4.7	- 576	- 16.5
Insurance Companies	11,420	18.4	10,833	17.3	- 586	- 5.1
Communications/ Transportation	6,097	9.8	7,267	11.6	1,170	19.2
Utilities	1,221	2.0	1,197	1.9	- 24	- 2.0
Services	4,331	7.0	4,212	6.7	- 119	- 2.8
Others	2,110	3.4	2,313	3.7	202	9.6
Total	61,957	100.0	62,489	100.0	531	0.9

* We made a partial amendment in previously disclosed data

IV Sales by segment & customer industry (System Maintenance and Operation/Services)

(Millions of yen)

	FY2016 Apr.2016-Sept.2016		FY2017 Apr.2017-Sept.2017		Increase/Decrease	
	Amount	%	Amount	%	Amount	change(%)
Manufacturers	21,634	35.0	21,154	33.3	- 479	- 2.2
Distributors	13,354	21.6	13,661	21.5	307	2.3
Financial Institutions	8,052	13.0	8,645	13.6	592	7.4
Banks	2,594	4.2	2,560	4.0	- 34	- 1.3
Securities Firms	1,082	1.8	1,271	2.0	188	17.4
Shopping Credit/ Leasing Companies	2,198	3.6	2,632	4.1	433	19.7
Insurance Companies	2,176	3.5	2,180	3.4	4	0.2
Communications/ Transportation	7,999	12.9	8,980	14.1	980	12.3
Utilities	337	0.5	331	0.5	- 5	- 1.5
Services	9,027	14.6	9,239	14.5	211	2.3
Others	1,371	2.2	1,548	2.4	176	12.9
Total	61,776	100.0	63,560	100.0	1,784	2.9

* We made a partial amendment in previously disclosed data

V Sales by segment & customer industry (Packaged Software/Hardware Sales)

(Millions of yen)

	FY2016 Apr.2016-Sept.2016		FY2017 Apr.2017-Sept.2017		Increase/Decrease	
	Amount	%	Amount	%	Amount	change(%)
Manufacturers	7,610	23.7	8,039	22.6	429	5.6
Distributors	6,244	19.4	6,756	19.0	512	8.2
Financial Institutions	1,356	4.2	1,306	3.7	- 50	- 3.7
Banks	453	1.4	418	1.2	- 35	- 7.8
Securities Firms	161	0.5	146	0.4	- 14	- 9.1
Shopping Credit/ Leasing Companies	484	1.5	497	1.4	13	2.9
Insurance Companies	257	0.8	243	0.7	- 14	- 5.5
Communications/ Transportation	9,902	30.8	12,200	34.3	2,298	23.2
Utilities	152	0.5	342	1.0	189	123.9
Services	3,560	11.1	2,993	8.4	- 566	- 15.9
Others	3,311	10.3	3,885	10.9	573	17.3
Total	32,138	100.0	35,524	100.0	3,385	10.5

* We made a partial amendment in previously disclosed data

VI External Sales and Segment Profit by Reported Segment - Quarterly trends

(Millions of yen)

FY2017	Q1			Q2		
	External sales	Compo sition(%)	Operating Profit	External sales	Compo sition(%)	Operating Profit
Manufacturing						
Systems Business Telecommunication	9,265	12.0	318	10,237	11.9	1,233
Systems Business Distribution Systems	6,403	8.3	990	6,491	7.5	1,342
Business Financial systems	11,098	14.4	940	11,648	13.5	1,626
Business	16,778	21.7	583	17,985	20.9	2,414
Business Solutions	6,053	7.8	61	6,384	7.4	340
Business Services	10,418	13.5	393	11,162	12.9	776
IT Platform						
Solutions	16,112	20.9	1,018	21,147	24.5	2,203
Prepaid Card						
Business	898	1.2	101	993	1.2	48
Others	190	0.2	- 19	194	0.2	37
Adjustment	—	—	- 498	—	—	- 639
Total	77,219	100.0	3,889	86,246	100.0	9,383

1st half		
External sales	Compo sition(%)	Operating Profit
19,503	11.9	1,551
12,894	7.9	2,333
22,747	13.9	2,566
34,764	21.3	2,998
12,437	7.6	401
21,581	13.2	1,169
37,260	22.8	3,222
1,892	1.2	150
384	0.2	17
—	—	- 1,138
163,466	100.0	13,272

FY2016	Q1			Q2		
	External sales	Compo sition(%)	Operating Profit	External sales	Compo sition(%)	Operating Profit
Manufacturing						
Systems Business Telecommunication	9,530	12.6	835	9,685	11.8	1,019
Systems Business Distribution Systems	6,306	8.4	1,018	6,688	8.2	1,244
Business Financial systems	10,894	14.5	1,328	11,507	14.0	1,894
Business	16,976	22.5	1,925	17,980	21.9	1,727
Business Solutions	5,795	7.7	214	5,867	7.2	356
Business Services	10,145	13.5	567	10,685	13.0	907
IT Platform						
Solutions	14,685	19.5	624	18,737	22.8	1,830
Prepaid Card						
Business	826	1.1	111	712	0.9	35
Others	192	0.3	- 9	194	0.2	67
Adjustment	—	—	- 491	—	—	- 485
Total	75,352	100.0	6,124	82,059	100.0	8,598

Q3		
External sales	Compo sition(%)	Operating Profit
9,926	12.2	1,096
6,759	8.3	1,481
11,405	14.0	1,665
17,165	21.0	1,648
5,844	7.2	374
10,895	13.3	984
18,628	22.8	1,848
818	1.0	35
190	0.2	73
—	—	- 564
81,634	100.0	8,645

Q4		
External sales	Compo sition(%)	Operating Profit
11,053	12.2	1,317
7,002	7.8	1,564
11,983	13.3	1,715
18,420	20.4	2,067
6,247	6.9	495
11,085	12.3	842
23,329	25.8	2,855
944	1.0	96
188	0.2	128
—	—	- 736
90,255	100.0	10,346

1st half		
External sales	Compo sition(%)	Operating income
19,215	12.2	1,854
12,995	8.3	2,262
22,402	14.2	3,222
34,957	22.2	3,653
11,662	7.4	571
20,830	13.2	1,475
33,422	21.2	2,455
1,539	1.0	146
387	0.2	58
—	—	- 976
157,412	100.0	14,723

Q3 total		
External sales	Compo sition(%)	Operating Profit
29,141	12.2	2,951
19,755	8.3	3,744
33,808	14.1	4,888
52,122	21.8	5,301
17,507	7.3	945
31,726	13.3	2,460
52,050	21.8	4,303
2,357	1.0	182
578	0.2	131
—	—	- 1,541
239,047	100.0	23,368

2nd half		
External sales	Compo sition(%)	Operating Profit
20,979	12.2	2,414
13,762	8.0	3,045
23,389	13.6	3,381
35,586	20.7	3,716
12,091	7.0	869
21,981	12.8	1,827
41,957	24.4	4,704
1,762	1.0	132
379	0.2	201
—	—	- 1,301
171,890	100.0	18,991

Total		
External sales	Compo sition(%)	Operating Profit
40,194	12.2	4,269
26,758	8.1	5,308
45,792	13.9	6,603
70,543	21.4	7,369
23,754	7.2	1,440
42,811	13.0	3,302
75,379	22.9	7,159
3,302	1.0	278
766	0.2	260
—	—	- 2,278
329,303	100.0	33,714

Increase/Decrease	Q1				Q2			
	External Sales		Operating Profit		External Sales		Operating Profit	
	Amount	Rate(%)	Amount	Rate(%)	Amount	Rate(%)	Amount	Rate(%)
Manufacturing								
Systems Business Telecommunication	- 265	- 2.8	- 517	- 61.9	552	5.7	213	21.0
Systems Business Distribution Systems	96	1.5	- 27	- 2.7	- 197	- 3.0	97	7.9
Business Financial systems	203	1.9	- 388	- 29.2	140	1.2	- 268	- 14.1
Business	- 198	- 1.2	- 1,342	- 69.7	5	0.0	687	39.8
Business Solutions	258	4.5	- 153	- 71.4	516	8.8	- 16	- 4.7
Business Services	273	2.7	- 174	- 30.7	477	4.5	- 131	- 14.5
IT Platform								
Solutions	1,427	9.7	394	63.2	2,410	12.9	373	20.4
Prepaid Card								
Business	71	8.6	- 9	- 9.0	280	39.4	13	38.6
Others	- 2	- 1.0	- 9	—	Δ 0	- 0.1	- 30	- 44.8
Adjustment	—	—	- 7	—	—	—	- 154	—
Total	1,866	2.5	- 2,235	- 36.5	4,186	5.1	784	9.1

1st half			
External Sales		Operating Profit	
Amount	Rate(%)	Amount	Rate(%)
287	1.5	- 303	- 16.3
- 100	- 0.8	70	3.1
344	1.5	- 656	- 20.4
- 193	- 0.6	- 655	- 17.9
775	6.6	- 169	- 29.7
751	3.6	- 306	- 20.8
3,837	11.5	767	31.3
352	22.9	3	2.5
- 2	- 0.5	- 40	- 69.0
—	—	- 161	—
6,053	3.8	- 1,450	- 9.8

VII Amount of Incoming Orders and Backlog by Segment

(Millions of yen)

Systems Development		Q1	Q2	Q3	Q4	1st half	Total
FY2017	Incoming Orders	30,109	33,929			64,038	
	Backlog	25,874	26,873			26,873	
FY2016	Incoming Orders	31,044	32,435	31,899	31,884	63,480	127,264
	Backlog	26,420	26,633	27,218	25,324	26,633	25,324
Increase/Decrease	Incoming Orders	- 935	1,494			558	
	Backlog	- 546	240			240	

System Maintenance and Operation/Services		Q1	Q2	Q3	Q4	1st half	Total
FY2017	Incoming Orders	27,183	24,526			51,709	
	Backlog	77,720	69,999			69,999	
FY2016	Incoming Orders	28,591	26,153	25,971	49,165	54,744	129,881
	Backlog	75,923	70,739	64,948	81,850	70,739	81,850
Increase/Decrease	Incoming Orders	- 1,408	- 1,626			- 3,035	
	Backlog	1,796	- 739			- 739	

Packaged Software/Hardware Sales		Q1	Q2	Q3	Q4	1st half	Total
FY2017	Incoming Orders	16,972	16,946			33,918	
	Backlog	11,501	8,371			8,371	
FY2016	Incoming Orders	17,321	19,177	16,324	23,800	36,499	76,624
	Backlog	9,470	10,860	9,444	9,977	10,860	9,977
Increase/Decrease	Incoming Orders	- 349	- 2,231			- 2,580	
	Backlog	2,030	- 2,489			- 2,489	

Total		Q1	Q2	Q3	Q4	1st half	Total
FY2017	Incoming Orders	74,264	75,402			149,667	
	Backlog	115,095	105,245			105,245	
FY2016	Incoming Orders	76,958	77,765	74,195	104,850	154,724	333,770
	Backlog	111,814	108,233	101,612	117,151	108,233	117,151
Increase/Decrease	Incoming Orders	- 2,693	- 2,363			- 5,056	
	Backlog	3,280	- 2,988			- 2,988	

VIII Sales to Sumitomo Corporation and Sumitomo Group Companies

(Millions of yen)

	FY2016		FY2017		Increase/Decrease	
	Apr.2016-Sept.2016		Apr.2017-Sept.2017			
	Amount	%	Amount	%	Amount	%
Sumitomo Corporation	7,163	4.6	7,502	4.6	339	4.7
Sumitomo Group Companies	36,130	23.0	39,405	24.1	3,275	9.1

*Sumitomo Group includes Sumitomo Corporation and its Group Companies

IX Quarterly trends

(Millions of yen)

FY2017	Q1		Q2		1st half		【Forecasts】 Total	
	Apr.2017-Jun.2017		Jul.2017-Sept.2017		Apr.2017-Sept.2017		Apr.2017-Mar.2018	
	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	77,219	100.0	86,246	100.0	163,466	100.0	340,000	100.0
Cost of Sales	60,395	78.2	64,727	75.0	125,122	76.5	254,500	74.9
Gross Profit	16,824	21.8	21,519	25.0	38,343	23.5	85,500	25.1
SG & A Expenses	12,934	16.8	12,136	14.1	25,070	15.3	49,500	14.6
Operating Profit	3,889	5.0	9,383	10.9	13,272	8.1	36,000	10.6
Ordinary Profit	4,455	5.8	9,817	11.4	14,273	8.7	37,000	10.9
Profit Before Income Taxes	4,446	5.8	9,793	11.4	14,239	8.7		
Profit Attributable to Owners of Parent	2,844	3.7	9,190	10.7	12,034	7.4	33,500	9.9

FY2016	Q1		Q2		Q3		Q4		1st half		Q3 total		2nd half		Total	
	Apr.2016-Jun.2016		Jul.2016-Sept.2016		Oct.2016-Dec.2016		Jan.2017-Mar.2017		Apr.2016-Sept.2016		Apr.2016-Dec.2016		Oct.2016-Mar.2017		Apr.2016-Mar.2017	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	75,352	100.0	82,059	100.0	81,634	100.0	90,255	100.0	157,412	100.0	239,047	100.0	171,890	100.0	329,303	100.0
Cost of Sales	57,141	75.8	61,810	75.3	61,082	74.8	67,514	74.8	118,951	75.6	180,034	75.3	128,596	74.8	247,548	75.2
Gross Profit	18,211	24.2	20,249	24.7	20,552	25.2	22,741	25.2	38,460	24.4	59,013	24.7	43,293	25.2	81,754	24.8
SG & A Expenses	12,086	16.0	11,651	14.2	11,907	14.6	12,395	13.7	23,737	15.1	35,644	14.9	24,302	14.1	48,040	14.6
Operating Profit	6,124	8.1	8,598	10.5	8,645	10.6	10,346	11.5	14,723	9.4	23,368	9.8	18,991	11.0	33,714	10.2
Ordinary Profit	6,732	8.9	9,049	11.0	9,365	11.5	10,974	12.2	15,781	10.0	25,147	10.5	20,339	11.8	36,121	11.0
Profit Before Income Taxes	6,743	8.9	8,995	11.0	9,991	12.2	10,096	11.2	15,738	10.0	25,730	10.8	20,088	11.7	35,827	10.9
Profit Attributable to Owners of Parent	7,296	9.7	5,990	7.3	6,967	8.5	8,204	9.1	13,286	8.4	20,253	8.5	15,171	8.8	28,458	8.6

Increase/Decrease	Q1		Q2		1st half	
	Amount	%	Amount	%	Amount	%
Net Sales	1,866	2.5	4,186	5.1	6,053	3.8
Cost of Sales	3,253	5.7	2,916	4.7	6,170	5.2
Gross Profit	- 1,387	- 7.6	1,270	6.3	- 117	- 0.3
SG & A Expenses	847	7.0	485	4.2	1,332	5.6
Operating Profit	- 2,235	- 36.5	784	9.1	- 1,450	- 9.8
Ordinary Profit	- 2,276	- 33.8	768	8.5	- 1,508	- 9.6
Profit Before Income Taxes	- 2,296	- 34.1	797	8.9	- 1,499	- 9.5
Profit Attributable to Owners of Parent	- 4,452	- 61.0	3,200	53.4	- 1,252	- 9.4

X Financial Statements

Income Statement(Consolidated)

(Millions of yen)

Cost of sales

(Millions of yen)

	From Apr.1.2016 to Sep.30.2016		From Apr.1.2017 to Sep.30.2017		Increase/Decrease		2016/9		2017/9		Increase/Decrease	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	YoY changes(%)
I Net sales	157,412	100.0	163,466	100.0	6,053	3.8						
II .Cost of sales	118,951	75.6	125,122	76.5	6,170	5.2						
Gross profit	38,460	24.4	38,343	23.5	-117	-0.3						
III .SG & A	23,737	15.1	25,070	15.3	1,332	5.6						
Operating profit	14,723	9.4	13,272	8.1	-1,450	-9.8						
IV .Non-operating income	1,188	0.8	1,167	0.7	-20	-1.7						
Interest income	35		36		1							
Dividends income	32		39		7							
Share of profit of entities accounted for using equity method	249		258		9							
Hoard profit of prepaid card	696		737		40							
Other	176		96		-79							
V .Non-operating expenses	129	0.1	167	0.1	37	29.0						
Interest expenses	81		65		-16							
Loss on sales of investment securities	-		1		1							
Bond issuance cost	-		48		48							
Other	48		52		3							
Ordinary profit	15,781	10.0	14,273	8.7	-1,508	-9.6						
VI .Extraordinary income	16	0.0	2	0.0	-14	-86.0						
Gain on sales of non-current assets	13		2		-11							
Gain on sales of investment securities	2		-		-2							
VII .Extraordinary loss	59	0.0	35	0.0	-23	-39.8						
Loss on retirement of non-current assets	11		12		1							
Loss on sales of non-current assets	5		20		14							
Impairment loss	37		-		-37							
Loss on valuation of investment securities	0		-		-0							
Loss on sales of investment securities	0		-		-0							
Loss on valuation of membership	3		3		-0							
Profit before income taxes	15,738	10.0	14,239	8.7	-1,499	-9.5						
Income taxes - current	1,000	0.6	2,279	1.4	1,278							
Income taxes deferred	1,090	0.7	-410	-0.3	-1,501							
Total income taxes	2,091	1.3	1,868	1.1	-222							
Profit	13,647	8.7	12,370	7.6	-1,276	-9.4						
Profit attributable to non controlling interests	360	0.2	336	0.2	-23							
Profit attributable to owners of parent	13,286	8.4	12,034	7.4	-1,252	-9.4						

	2016/9		2017/9		Increase/Decrease	
	Amount	%	Amount	%	Amount	YoY changes(%)
Salaries and bonuses	38,514	38.9	39,406	39.0	892	2.3
Outsourcing expenses	46,422	46.9	46,002	45.5	-419	-0.9
Other expenses	14,121	14.3	15,621	15.5	1,500	10.6
Rent and upkeep expenses	3,855	3.9	3,884	3.8	28	0.7
Depreciation	3,250	3.3	3,866	3.8	615	18.9
Materials expenses and others	987	1.0	1,190	1.2	203	20.6
Computer and related expenses	1,762	1.8	1,965	1.9	202	11.5
Communications expenses	1,225	1.2	1,210	1.2	-15	-1.3
Other	3,038	3.1	3,504	3.5	465	15.3
Total Production costs for the period	99,057	100.0	101,030	100.0	1,973	2.0
Expenses transferred to other accounts	-2,581		-1,551		1,029	-39.9
Work in process Increase (-) ,decreaes (+)	-1,066		-589		476	
Cost of finished go (1)	95,410		98,889		3,479	3.6
Cost of goods sold (2)	23,541		26,232		2,691	11.4
Total Cost of sales (1)+(2)	118,951	(75.6)	125,122	(76.5)	6,170	5.2

	SG & A (Millions of yen)					
	2016/9	%	2017/9	%	Increase/Decrease	YoY changes(%)
Salaries and bonuses	13,597	8.6	14,323	8.8	725	5.3
Rent expences	1,686	1.1	1,762	1.1	75	4.5
Depreciation	896	0.6	878	0.5	-17	-2.0
Outsourcing expenses	1,215	0.8	1,414	0.9	198	16.4
Taxes	1,594	1.0	1,589	1.0	-5	-0.3
Other	4,747	3.0	5,102	3.1	355	7.5
Total SG&A expenses	23,737	15.1	25,070	15.3	1,332	5.6

Consolidated Balance Sheets

(Millions of yen)

(Millions of yen)

Accounting Period	2017/3		2017/9		Increase/ Decrease	Accounts	Accounting Period	2017/3		2017/9		Increase/ Decrease
	Amount	%	Amount	%				Amount	Amount	%	Amount	
【ASSETS】						【LIABILITIES】						
I. Current assets						I. Current liabilities						
1.	Cash and deposits	27,363		19,639	-7,724	1.	Notes and accounts payable - trade	21,362		16,188	-5,173	
2.	Notes and accounts receivable - trade	65,764		60,402	-5,361	2.	Short-term loans payable	10,000		10,000	—	
3.	Operational investment securities	6,056		3,934	-2,122	3.	Current portion of bonds	15,000		5,000	-10,000	
4.	Merchandise and finished goods	6,779		7,516	736	4.	Current portion of long-term loans payable	10,000		5,000	-5,000	
5.	Work in process	341		913	571	5.	Income taxes payable	2,262		3,012	750	
6.	Raw materials and supplies	50		49	-1	6.	Provision for bonuses	6,418		5,790	-627	
7.	Deposits paid	98,171		96,054	-2,117	7.	Provision for directors' bonuses	195		24	-170	
8.	Guarantee deposits	45,359		51,200	5,841	8.	Provision for loss on construction contracts	50		73	22	
9.	Other	22,466		25,598	3,131	9.	Deposits received of prepaid cards	91,828		92,025	197	
10.	Allowance for doubtful accounts	-47		-35	12	10.	Other	26,802		28,230	1,427	
	Total current assets	272,306	69.9	265,272	-7,034		Total current liabilities	183,919	47.2	165,346	-18,573	
II. Non-current assets						II. Non-current liabilities						
1.	Property, plant and equipment					1.	Bonds payable	20,000		30,000	10,000	
(1)	Buildings and structures, net	34,863		33,921	-941	2.	Long-term loans payable	5,000		—	-5,000	
(2)	Land	19,821		19,821	—	3.	Provision for directors' retirement benefits	20		20	—	
(3)	Other, net	13,862		17,558	3,696	4.	Net defined benefit liability	2,359		1,814	-545	
	Total property, plant and equipment	68,546	17.6	71,301	2,754	5.	Asset retirement obligations	2,278		2,406	128	
2.	Intangible assets					6.	Other	2,284		2,166	-117	
(1)	Goodwill	133		99	-34		Total non-current liabilities	31,943	8.2	36,408	4,465	
(2)	Other	11,691		11,329	-362		Total liabilities	215,862	55.4	201,754	-14,107	
	Total intangible assets	11,825	3.0	11,428	-397	【NET ASSETS】						
3.	Investments and other assets					I.	Shareholders' equity					
(1)	Investment securities	9,564		10,325	761	1.	Capital stock	21,152	5.4	21,152	5.5	—
(2)	Other	27,417		24,667	-2,750	2.	Capital surplus	3,047	0.8	3,046	0.8	-0
	Allowance for doubtful accounts	-124		-118	6	3.	Retained earnings	151,722	38.9	158,815	41.5	7,093
	Total investments and other assets	36,857	9.5	34,875	-1,982	4.	Treasury shares	-8,425	-2.2	-8,419	-2.2	5
	Total non-current assets	117,230	30.1	117,604	373	0	Total shareholders' equity	167,497	43.0	174,595	45.6	7,098
	Total assets	389,537	100.0	382,877	-6,660	II.	Accumulated other comprehensive income					
						1.	Valuation difference on available-for-sale securities	2,308	0.6	2,467	0.6	159
						2.	Deferred gains or losses on hedges	-5	-0.0	7	0.0	13
						3.	Foreign currency translation adjustment	-73	-0.0	-104	-0.0	-31
						4.	Remeasurements of defined benefit plans	-2,829	-0.7	-2,852	-0.7	-23
							Total accumulated other comprehensive income	-599	-0.2	-481	-0.1	117
						III.	Subscription rights to shares	70		65		-4
						IV.	Non-controlling interests	6,706	1.7	6,943	1.8	236
							Total net assets	173,674	44.6	181,122	47.3	7,447
							Total liabilities and net assets	389,537	100.0	382,877	100.0	-6,660

Statements of Cash Flows(Consolidated)

(Millions of yen)

(Millions of yen)

	2016/9	2017/9	Increase/ Decrease		2016/9	2017/9	Increase/ Decrease
	(2016/4-2016/9)	(2017/4-2017/9)			(2016/4-2016/9)	(2017/4-2017/9)	
	Amount	Amount	Amount		Amount	Amount	Amount
I Cash flow from operating activities				II Cash flows from investing activities			
Profit before income taxes	15,738	14,239	- 1,499	Proceeds from sales and redemption of securities	700	—	- 700
Depreciation	4,167	4,788	621	Purchase of property, plant and equipment	- 6,325	- 5,035	1,289
Amortization of goodwill	53	34	- 18	Proceeds from sales of property, plant and equipment	986	6	- 979
Impairment loss	37	—	- 37	Purchase of intangible assets	- 2,704	- 1,701	1,003
Increase (decrease) in allowance for doubtful accounts	- 178	- 18	160	Purchase of investment securities	- 300	- 400	- 100
Increase (decrease) in net defined benefit liability	- 1,333	- 464	869	Proceeds from sales and redemption of investment securities	35	115	80
Decrease (increase) in net defined benefit asset	0	13	13	Collection of short-term loans receivable	3	4	0
Loss on retirement of non-current assets	11	12	1	Proceeds from withdrawal of investments in partnership	41	—	- 41
Loss (gain) on sales of non-current assets	- 7	17	25	Payments for lease and guarantee deposits	- 76	- 199	- 122
Loss (gain) on valuation of investment securities	0	—	- 0	Proceeds from collection of lease and guarantee deposits	95	146	50
Loss (gain) on sales of investment securities	- 2	1	4	Other, net	- 210	- 110	100
Share of (profit) loss of entities accounted for using equity method	- 249	- 258	- 9	Net cash provided by (used in) investing activities	- 7,755	- 7,174	580
Interest and dividend income	- 67	- 75	- 8	III Cash flows from financing activities			
Interest expenses paid on loans and bonds	81	65	- 16	Increase in short-term loans payable	10,000	10,000	—
Loss (gain) on investments in partnership	8	- 40	- 48	Decrease in short term loans payable	- 10,000	- 10,000	—
Decrease (increase) in investment securities for sale	1,911	2,088	176	Proceeds from long-term loans payable	5,000	—	- 5,000
Decrease (increase) in notes and accounts receivable - trade	3,282	5,357	2,075	Repayments of long-term loans payable	- 5,000	- 10,000	- 5,000
Decrease (increase) in inventories	- 766	- 1,306	- 539	Proceeds from issuance of bonds	—	10,000	10,000
Decrease (increase) in guarantee deposits	- 4,914	- 5,846	- 932	Redemption of bonds	—	- 10,000	- 10,000
Increase (decrease) in notes and accounts payable - trade	- 1,457	- 5,170	- 3,712	Repayments of lease obligations	- 387	- 345	42
Increase (decrease) in deposits received of prepaid cards	1,319	197	- 1,122	Purchase of treasury shares	- 3	- 7	- 3
Other, net	- 2,519	263	2,782	Proceeds from sales of treasury shares	0	0	- 0
Subtotal	15,117	13,902	- 1,215	Cash dividends paid	- 4,160	- 4,941	- 780
Interest and dividends income received	167	159	- 8	Dividends paid to non controlling interests	- 105	- 102	3
Interest expenses paid	- 74	- 80	- 6	Net cash provided by (used in) financing activities	- 4,657	- 15,397	- 10,739
Compensation expenses paid	- 15	—	15	IV Effect of exchange rate change on cash and cash equivalents	- 491	- 38	453
Income taxes (paid) refund	- 3,706	- 1,213	2,493	V Net increase (decrease) in cash and cash equivalents	- 1,414	- 9,841	- 8,427
Net cash provided by (used in) operating activities	11,489	12,768	1,278	VI Cash and cash equivalents at beginning of period	98,445	123,935	25,489
				VII Cash and cash equivalents at the end of period	97,031	114,093	17,062

Financial Data

I Results of Operations and Forecasts (Consolidated)

(Millions of yen)

	2014/9		2015/9		2016/9		2017/9		2017/3		2018/3 (Forecast)	
	Amount (YoY %)	%	Amount (YoY %)	%	Amount (YoY %)	%	Amount (YoY %)	%	Amount (YoY %)	%	Amount (YoY %)	%
Sales	142,524 (3.9)	100.0	154,812 (8.6)	100.0	157,412 (1.7)	100.0	163,466 (3.8)	100.0	329,303 (1.7)	100.0	340,000 (3.2)	100.0
Systems Development	57,657 (1.1)	40.5	59,291 (2.8)	38.3	61,957 (4.5)	39.4	62,489 (0.9)	38.2	127,051 (2.1)	38.6	-	-
System Maintenance and Operation/Services	54,299 (3.0)	38.1	58,095 (7.0)	37.5	61,776 (6.3)	39.2	63,560 (2.9)	38.9	125,802 (5.6)	38.2	-	-
Packaged Software/ Hardware Sales	28,794 (11.1)	20.2	35,886 (24.6)	23.2	32,138 (- 10.4)	20.4	35,524 (10.5)	21.7	73,147 (-5.1)	22.2	-	-
Prepaid Card Business / Others	1,773 (20.8)	1.2	1,539 (- 13.2)	1.0	1,539 (0.0)	1.0	1,892 (22.9)	1.2	3,302 (2.6)	1.0	-	-
Cost of Sales	109,080 (3.7)	76.5	118,039 (8.2)	76.2	118,951 (0.8)	75.6	125,122 (5.2)	76.5	247,548 (0.7)	75.2	254,500 (2.8)	74.9
Gross Profit	33,443 (4.7)	23.5	36,773 (10.0)	23.8	38,460 (4.6)	24.4	38,343 (- 0.3)	23.5	81,754 (4.8)	24.8	85,500 (4.6)	25.1
SG&A Expenses	22,301 (0.6)	15.6	22,846 (2.4)	14.8	23,737 (3.9)	15.1	25,070 (5.6)	15.3	48,040 (3.9)	14.6	49,500 (3.0)	14.6
Operating Profit	11,141 (13.9)	7.8	13,926 (25.0)	9.0	14,723 (5.7)	9.4	13,272 (- 9.8)	8.1	33,714 (6.1)	10.2	36,000 (6.8)	10.6
Ordinary Profit	11,891 (11.5)	8.3	14,780 (24.3)	9.5	15,781 (6.8)	10.0	14,273 (- 9.6)	8.7	36,121 (7.5)	11.0	37,000 (2.4)	10.9
Profit Attributable to Owners of Parent	9,235 (13.7)	6.5	11,004 (19.2)	7.1	13,286 (20.7)	8.4	12,034 (- 9.4)	7.4	28,458 (5.6)	8.6	33,500 (17.7)	9.9
Sales Per Employee (JPY in thousands)	12,073		13,128		13,195		13,432		27,649		-	
Ordinary Income Per Employee (JPY in thousands)	1,007		1,253		1,322		1,172		3,032		-	
Number of Employees	11,805		11,792		11,929		12,169		11,910		-	

II BPS, EPS and other key financial indicators (Consolidated)

(Millions of yen)

	2015/9		2016/9		2017/9		2017/3		2018/3 (Forecasts)	
	Amount	change(%)	Amount	change(%)	Amount	change(%)	Amount	change(%)	Amount	change(%)
Capital Stock	21,152	-	21,152	-	21,152	-	21,152	-	-	-
Net Assets	146,078	5.5%	160,259	5.7%	181,122	4.3%	173,674	14.6%	-	-
Total Assets	333,321	-0.3%	355,153	0.7%	382,877	-1.7%	389,537	10.5%	-	-
Number of Shares Outstanding	107,986,403		107,986,403		107,986,403		107,986,403		-	
Average number of Shares Outstanding	103,787,371		103,801,670		103,812,288		103,803,262		-	
BPS (Net Asset per share) (JPY)	1,349.83		1,482.30		1,677.16		1,607.74		-	
EPS (Earnings per share) (JPY)	106.03		128.00		115.93		274.16		322.69	
Equity Ratio (%)	42.0%		43.3%		45.5%		42.8%		-	
ROE (Return on Equity) (%)	-		-		-		18.2%		-	
Cash Dividends per share (JPY)	-		-		-		90.00		95.00	
Interim Dividends per share (JPY)	35.00		42.50		47.50		42.50		47.50	
PER (Price Earning Ratio) (times)	-		-		-		16.1		-	
Stock Prices (yen)	4,475		4,075		4,775		4,420		-	
Payout Ratio (%)	-		-		-		33%		-	
Consolidated /Non-consolidated (times)	1.25		1.05		1.00		1.14		-	

Ⅲ Capital expenditure, depreciation & amortization, R&D expenses(Consolidated)

(Millions of yen)

	Actual				Forecasts
	(2014/4~2014/9)	(2015/4~2015/9)	(2016/4~2016/9)	(2017/4~2017/9)	(2017/4~2018/3)
	2014/9	2015/9	2016/9	2017/9	2018/3
Capital Expenditure (tangible)	5,589	4,867	6,605	5,096	12,000
Capital Expenditure (software/other)	1,174	1,840	2,693	1,812	6,000
Depreciation (tangible)	2,230	2,589	2,771	2,815	6,000
Amortization (software/other)	1,101	1,250	1,395	1,958	4,000
Total	3,332	3,840	4,167	4,773	10,000
R&D Expenses	128	39	137	188	700

IV Group companies

	Number of Employees ^{*1}
SCSK Corporation	7,356

【Consolidated Subsidiaries】	Equity Ownership	Main Businesses	Number of Employees ^{*1}
SCSK KYUSHU CORPORATION	100.0%	Software development	112
SCSK HOKKAIDO CORPORATION	100.0%	Software development	129
SCSK USA Inc.	100.0%	Software development and Information Processing	73
SCSK Europe Ltd.	100.0%	Software development and Information Processing	66
SCSK Shanghai Ltd.	100.0%	Software development and Information Processing	46
SCSK Asia Pacific Pte. Ltd.	100.0%	Software development and Information Processing	44
JIEC Co., Ltd.	69.5%	Software development	829
WinTechnology Corporation	100.0%	Software development	124
SCSK ServiceWare Corporation	100.0%	BPO	1,839
VeriServe Corporation	55.6%	Verification Services	642
SCSK PRESCENDO CORPORATION	82.6%	BPO	52
Allied Engineering Corporation	100.0%	Consulting, Packaged software development and sales	43
CSI SOLUTIONS Corporation	100.0%	IT Management business	143
QUO CARD Co., Ltd.	100.0%	Prepaid Card Business	107
SCSK Nearshore Systems Corporation	100.0%	Software development	245
VA Linux Systems Japan K.K.	100.0%	Research and solution for Linux-based technologies	16
SCSK SYSTEM MANAGEMENT CORPORATION	100.0%	IT Management business	284
SDC Corporation	50.1%	Information processing (Network services)	19
Total Number of employees (consolidated)			12,169

【Affiliates (consolidated) under the equity method of accounting】

ARGO GRAPHICS Inc.	21.8%	PLM Solutions Business
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【Affiliates (unconsolidated) under the equity method of accounting】

Veriserve Okinawa Test Center Corporation	100.0% *2	Internet business related to international interconnection and inspection
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*1. Number of employees listed above include those who have been dispatched from SCSK

*2. Share Holding Ratio of VeriServe Corporation

V Customers

Type of Business	Customers
Manufacturing	<ul style="list-style-type: none"> • Toyota Motor Corporation • Nippon Suisan Kaisha, Ltd. • Panasonic Corporation • Fuji Xerox Co., Ltd. • Honda Motor Co., Ltd.
Distribution	<ul style="list-style-type: none"> • Sumitomo Corporation • CO-OP NET.
Financial Institution	<ul style="list-style-type: none"> • MS&AD Insurance Group Holdings, Inc. • Sumitomo Mitsui Trust Bank, Limited • Sompo Japan Nipponkoa Insurance Inc. • Nippon Life Insurance Company • Matsui Securities Co., Ltd. • Mizuho Financial Group, Inc. • Sumitomo Mitsui Financial Group, Inc. • The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Communication and Transportation	<ul style="list-style-type: none"> • KDDI CORPORATION • Jupiter Telecommunications Co., Ltd. • SoftBank Corp. • NIPPON TELEGRAPH AND TELEPHONE CORPORATION

*Listed in no particular order