



Consolidated Financial Results for Fiscal Year Ended March 2019 and Financial Forecasts for Fiscal Year Ending March 2020

Tetsuya Fukunaga

Director,
Senior Managing Executive Officer

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SCSK Corporation

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I – (i) Highlights for FY2018

Net Sales

358,654 JPY Million

YOY 6.5%

Operating Profit

38,378 JPY Million

YOY 10.9%

Order Backlog

137,388 JPY Million

YOY 17.4%

Operating Margin

10.7 %

YOY 0.4 p.p.

I – (ii) Consolidated Statements of Income

(Millions of yen)

	Apr. 2017- Mar. 2018	Apr. 2018- Mar. 2019	<i>Increase/Decrease</i>	
			<i>Amount</i>	<i>Change (%)</i>
Net Sales	336,654	358,654	22,000	6.5%
Gross Profit	83,555	88,742	5,186	6.2%
(Gross Profit Margin)	(24.8%)	(24.7%)		
SG&A Expenses	48,953	50,363	1,410	2.9%
Operating Profit	34,602	38,378	3,775	10.9%
(Operating Profit Margin)	(10.3%)	(10.7%)		
Ordinary Profit	36,291	38,650	2,358	6.5%
Profit attributable to owners of parent	32,488	27,892	-4,596	-14.1%

I – (iii) Sales Comparison by Sales Segment

(Millions of yen)

	Apr. 2017- Mar. 2018	Apr. 2018- Mar. 2019	Increase/Decrease	
			Amount	Change (%)
Systems Development	128,387 (38.1%)	140,092 (39.1%)	11,704	9.1%
System Maintenance and Operation/ Services	129,071 (38.3%)	134,132 (37.4%)	5,061	3.9%
Packaged Software/ Hardware Sales	76,247 (22.6%)	84,430 (23.5%)	8,182	10.7%
Prepaid Card	2,948 (0.9%)	— (—)	-2,948	-100.0%
Total	336,654 (100.0%)	358,654 (100.0%)	22,000	6.5%

※ All the shares of QUO CARD Co., Ltd., which constitutes Prepaid Card Business, was transferred as of December 1, 2017.

※ () indicate composition ratio.

I – (iv) Incoming Orders and Backlog

(Millions of yen)

		Apr. 2017- Mar. 2018	Apr. 2018- Mar. 2019	Increase/Decrease	
				Amount	Change (%)
Systems Development	Incoming orders	130,203	148,913	18,709	14.4%
	Backlog	26,297	35,118	8,821	33.5%
System Maintenance and Operation/ Services	Incoming orders	128,783	140,286	11,502	8.9%
	Backlog	81,563	87,717	6,154	7.5%
Packaged Software /Hardware Sales	Incoming orders	75,419	89,796	14,377	19.1%
	Backlog	9,185	14,552	5,366	58.4%
Total	Incoming orders	334,406	378,997	44,590	13.3%
	Backlog	117,046	137,388	20,342	17.4%

I – (v) Sales Comparison by Customer Industry

(Millions of yen)

	Apr. 2017- Mar. 2018		Apr. 2018- Mar. 2019		Increase/Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	93,564	27.8%	100,428	28.0%	6,864	7.3%
Distributors	55,199	16.4%	59,535	16.6%	4,336	7.9%
Financial Institutions	73,752	21.9%	78,450	21.9%	4,698	6.4%
Banks	22,987	6.8%	23,965	6.7%	978	4.3%
Securities Firms	9,951	3.0%	8,450	2.4%	-1,501	-15.1%
Shopping Credit/ Leasing Companies	13,140	3.9%	15,318	4.3%	2,178	16.6%
Insurance Companies	27,673	8.2%	30,715	8.6%	3,041	11.0%
Communications/ Transportation	57,736	17.2%	63,458	17.7%	5,721	9.9%
Utilities	4,230	1.3%	6,741	1.9%	2,511	59.4%
Services/Others [※]	52,170	15.5%	50,039	14.0%	-2,130	-4.1%
Total	336,654	100.0%	358,654	100.0%	22,000	6.5%

※"Others" from Apr. 2017 to Sept. 2017 includes sales of Prepaid Card Business.

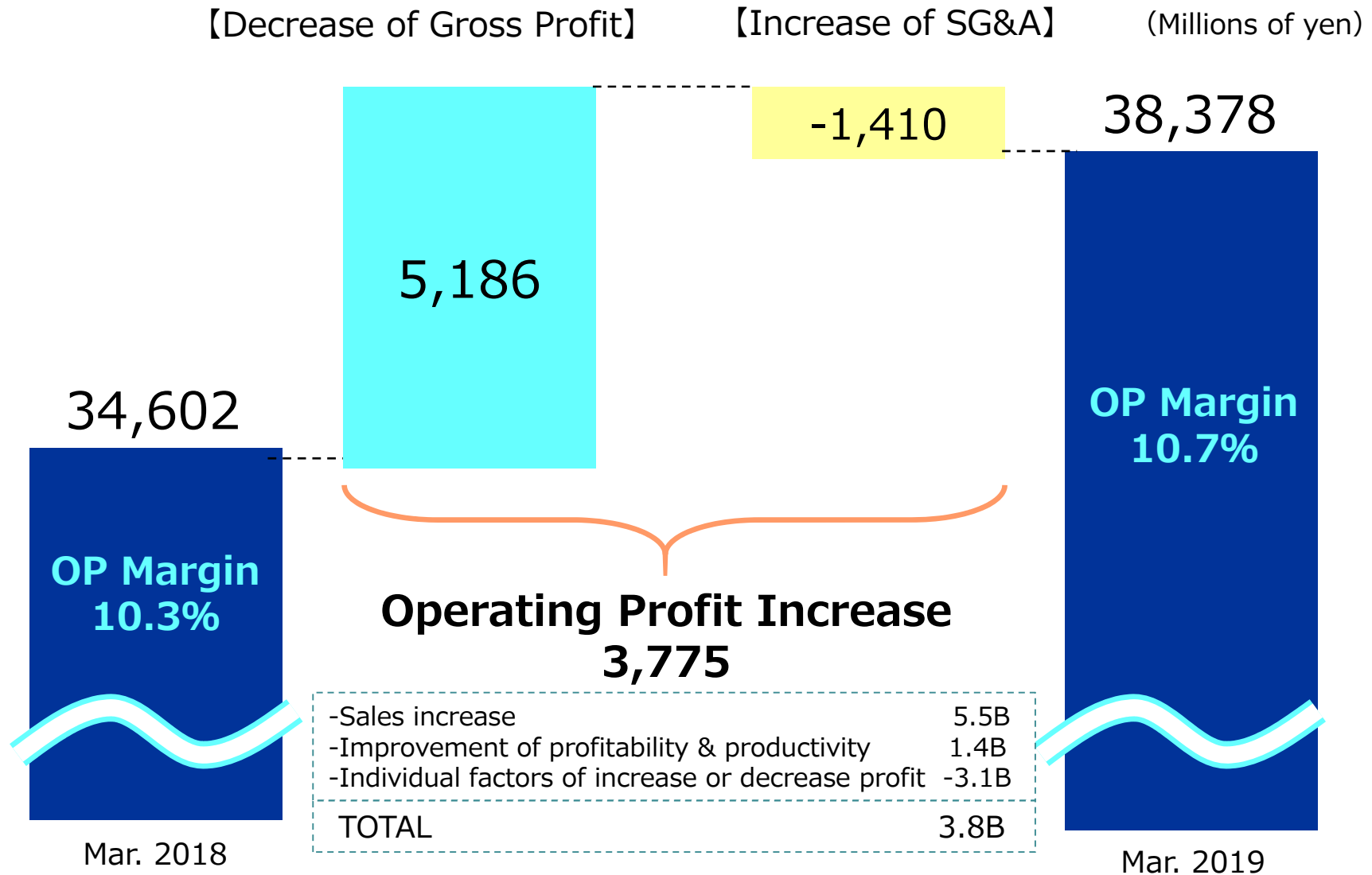
I – (vi) Business Performance by Reportable Segment

(Millions of yen)

External Sales	Manufacturing & Telecommunication Systems Business	Distribution & Media Systems Business	Financial Systems Business	Global System Solutions & Innovation Business	Business Solutions	IT Platform Solutions	IT Management	Others	Adjustments	Total
Apr. 2018~ Mar. 2019	43,369	63,054	63,932	15,560	68,198	59,058	44,780	699	–	358,654
Apr. 2017~ Mar. 2018	38,404	58,176	62,351	13,260	63,519	55,039	42,184	3,716	–	336,654
Increase/Decrease (Amount)	4,965	4,877	1,580	2,300	4,679	4,019	2,596	-3,017	–	22,000
Increase/Decrease (%)	12.9%	8.4%	2.5%	17.3%	7.4%	7.3%	6.2%	-81.2%	–	6.5%
Segment Profit	Manufacturing & Telecommunication Systems Business	Distribution & Media Systems Business	Financial Systems Business	Global System Solutions & Innovation Business	Business Solutions	IT Platform Solutions	IT Management	Others	Adjustments	Total
Apr. 2018~ Mar. 2019	6,346	6,599	7,375	2,558	4,650	7,208	5,877	-41	-2,196	38,378
Apr. 2017~ Mar. 2018	5,266	7,019	6,290	2,243	4,645	6,176	5,096	378	-2,515	34,602
Increase/Decrease (Amount)	1,079	-420	1,084	314	4	1,032	781	-420	318	3,775
Increase/Decrease (%)	20.5%	-6.0%	17.2%	14.0%	0.1%	16.7%	15.3%	–	–	10.9%

※“Others” from Apr. 2017 to Sept. 2017 includes sales of Prepaid Card Business.

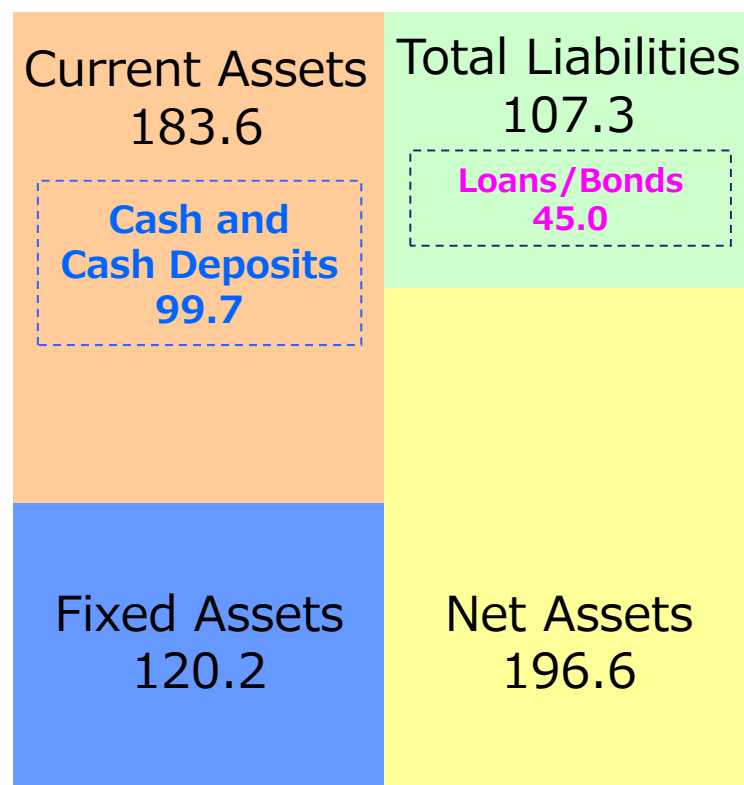
I – (vii) Operating Profit Analysis



I – (viii) Consolidated Balance Sheets

As of March 31, 2018

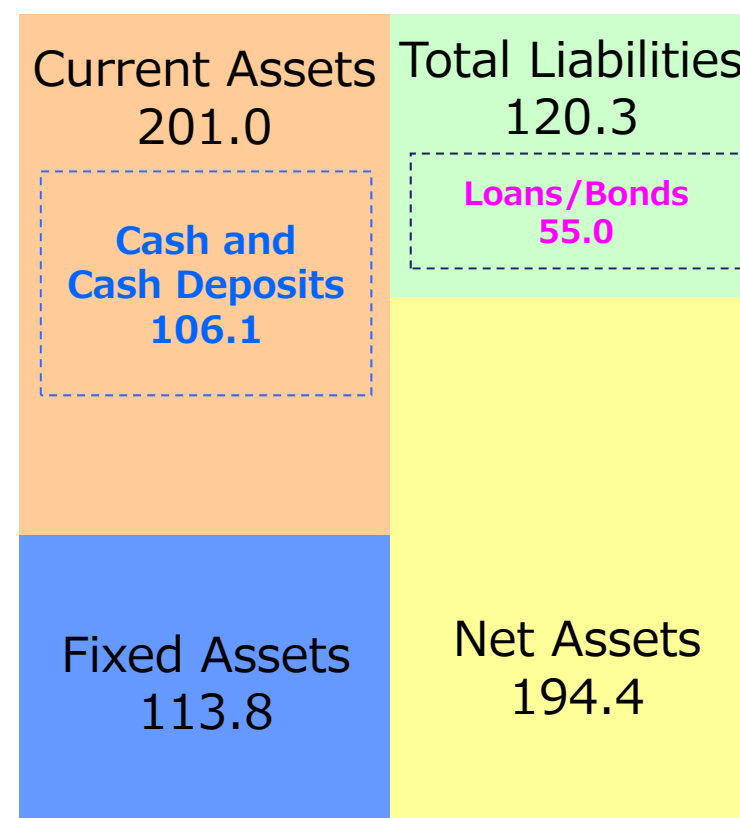
Total Assets 303.9 (Billions of yen)



Equity Ratio 62.3%
BPS JPY1,822.54

As of March 31, 2019

Total Assets 314.8 (Billions of yen)



Equity Ratio 61.4%
BPS JPY1,862.78

II. Financial Forecasts for FY2019

(Millions of yen)

	Apr. 2018- Mar. 2019	Apr. 2019- Mar. 2020 (Forecasts)	Increase/Decrease	
			Amount	Change (%)
Net Sales	358,654	380,000	21,345	6.0%
Gross Profit	88,742	94,000	5,257	5.9%
(Gross Profit Margin)	(24.7%)	(24.7%)		
SG&A Expenses	50,363	53,000	2,636	5.2%
Operating Profit	38,378	41,000	2,621	6.8%
(Operating Profit Margin)	(10.7%)	(10.8%)		
Ordinary Profit	38,650	41,000	2,349	6.1%
Profit attributable to owners of parent	27,892	28,000	107	0.4%

Ⅲ. Dividend Forecasts for FY2019

Issuing “50th Anniversary Commemorative Dividend” in FY2019 (JPY20 Annually)

(Millions of yen)

	FY2017	FY2018	FY2019 (Forecasts)		
			Ordinary Dividend	Commemorative Dividend	Total
Annual Dividend Per Share (JPY)	95	100	110	20	130
Total Dividend Amount	9,883	10,405	11,421		13,498
Profit Attributable to Owners of Parent	32,488	27,892	28,000		28,000
Payout Ratio	30%	37%	41%		48%

<Reference : Estimates After deducting extraordinary income related to QUO CARD Co., Ltd. >

<i>Profit Attributable to Owners of Parent</i>	21,884
<i>Payout Ratio</i>	45%

Attention on the use of this document

- We have made amendment of previous year's data in page 6 (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 7 (Business Performance by Reportable 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.
- 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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