

Results of Operations for 2nd Quarter of Fiscal Year Ending March 2023

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1. 2nd Quarter of FY2022 Consolidated Financial Results

- ①Summary
- ②Net Sales/Operating Profit(Q1/Q2)
- ③Order Backlog

2. FY2022 Consolidated Financial Forecast

3. FY2022 Business Policy (Projects Examples)

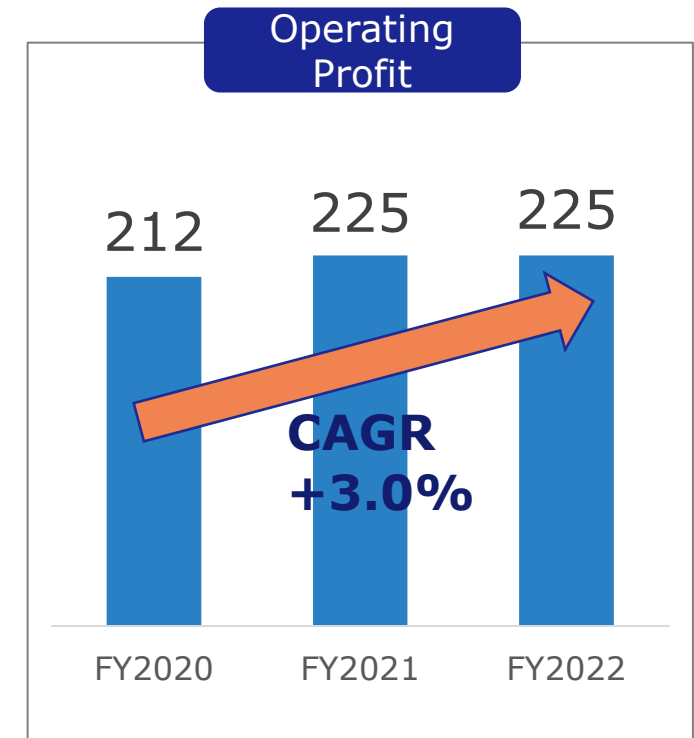
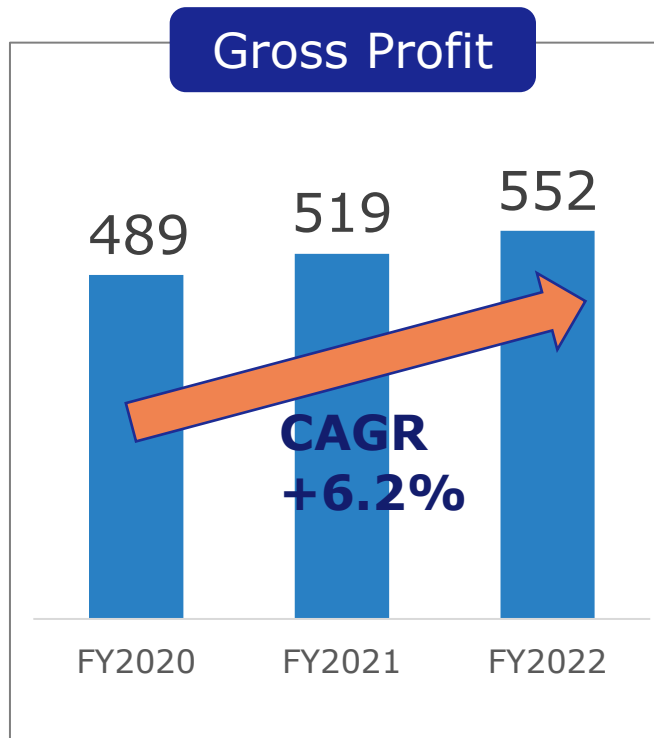
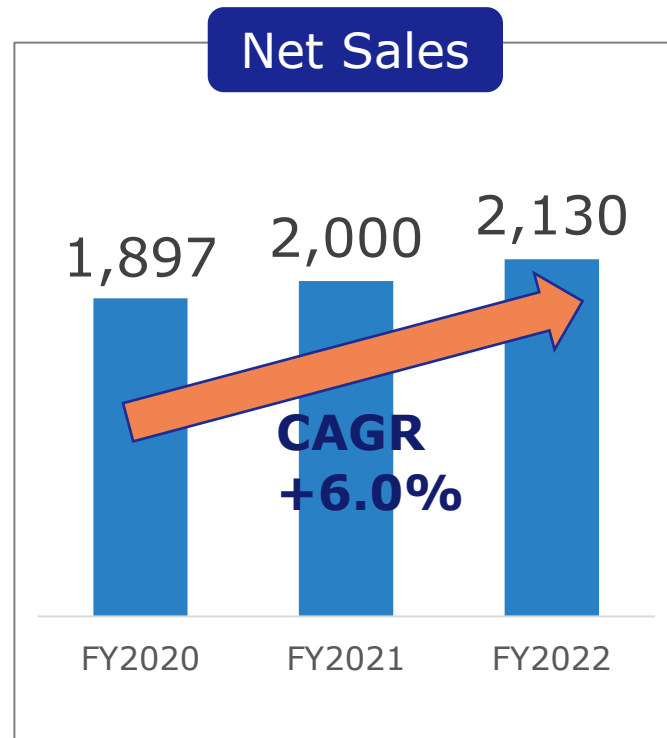
4. Next Medium-Term Management Plan

1. Q2 of FY2022 Consolidated Financial Results ①Summary

Business Performance during the Mid-term Business Plan (1st Half)

- Making business investments for growth in line with plans, and steadily increase earnings even in COVID-19 pandemic

(100 Millions of Yen)

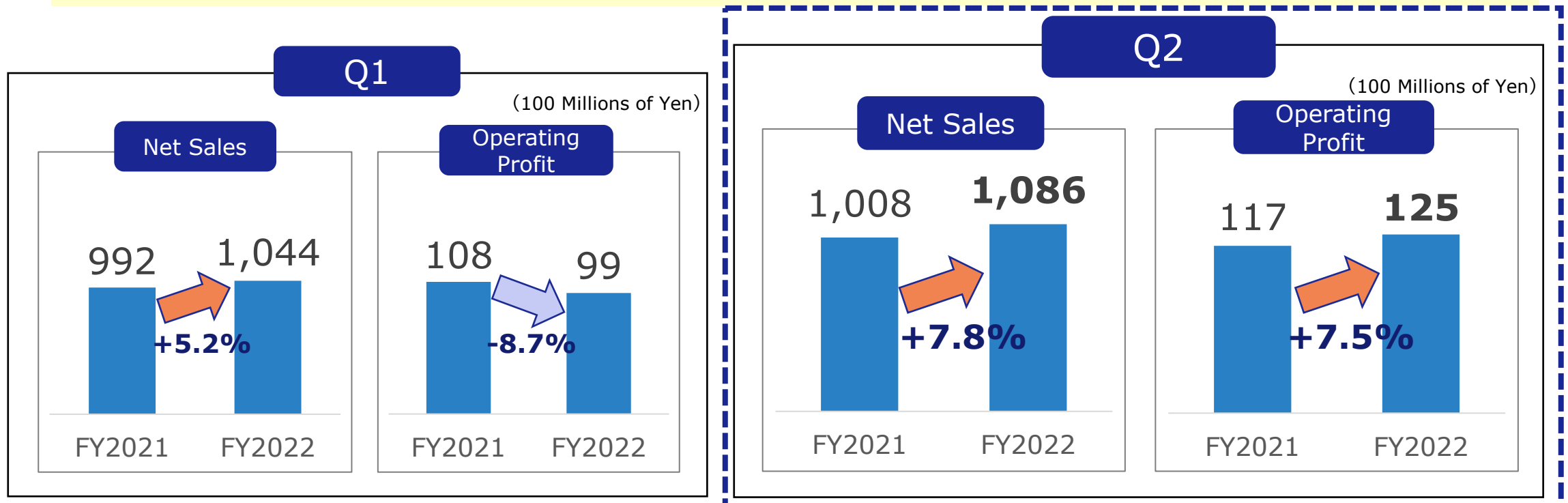


1. Q2 of FY2022 Consolidated Financial Results

② Net Sales/Operating Profit

Summary of Financial Results

- IT investment demand from customers remains strong
- Inquiries for large-scale projects also on the rise
- Started with upfront costs, but earnings expanded due to progress in the systems development PRJ and the accompanying improvement in profitability

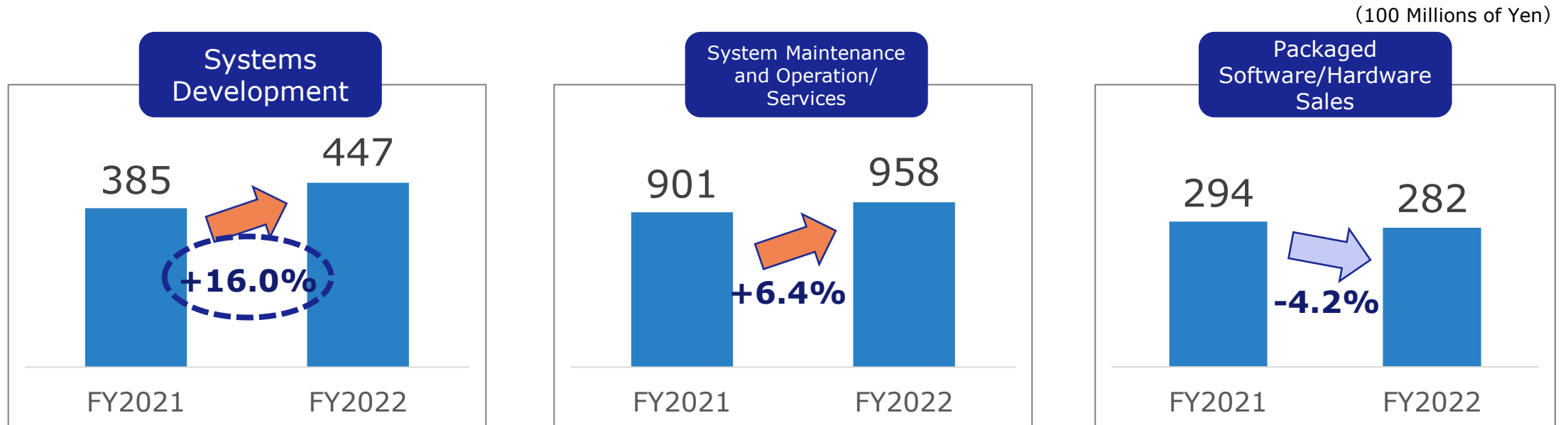


1. Q2 of FY2022 Consolidated Financial Results

③ Order backlog

Order backlog

- An increase in order backlog of systems development for a significant sales growth in the second half
- Pre-order pipeline includes continuation phase of large projects
- Decreased in packaged software/hardware sales was a reaction to orders received ahead of schedule in FY2021 (as expected)



2. FY2022 Consolidated Financial Forecast

No change from the forecast at the beginning of FY2022

(100 Millions of yen)

	FY2021	FY2022	Increase/Decrease	
	Results (A)	Forecasts (B)	Amount (B-A)	%
Net Sales	4,141	4,500	358	8.7%
Operating Profit	475	540	64	13.6%
Profit attributable to owners of parent	334	380	45	13.5%

3. FY2022 Business Policy

Recognition of the current situation in the third year of the Medium-Term Management Plan

Accelerating changes in the business environment

- Acceleration and progress of digitization
- Changes in the role of IT vendors
- Transition to a block economy
- Changes in social structure due to COVID-19
- Increasing awareness of decarbonization

Three Evolutions for Sustainable Growth

● Evolution of customer relationships

Customers, business fields, service content, and relationships with customers

● Evolution of business model

Sales methods, business models, and pricing

● Evolution of organizations and people

Operations, roles, experiences, cultures, and thoughts

**We need
"Self-transformation Capabilities"**

**Aiming to be a "Game Changer"
that determines the direction of
social transformation**

1. Active support of customers' DX initiatives

2. From Client-Oriented to Market-Oriented

3. Strategic enhancement of specific areas

1. Active support of customers' DX initiatives

Utilization of group intellectual property

- Application of packages and templates installed in platforms
- Developed as a platform for the provision of proprietary services

Proprietary
monozukuri innovation platform

Increasing the added value of data centers

- Wide-ranging ecosystem with cloud operators

In-house Developed Cloud Services



Various Cloud Services



S-Cred+ エス クレド プラス

Low-Code No-Code Development Foundation



S-Cred+
Framework

Scratch development
base

API
Integration

Data linkage
infrastructure

Multi-cloud services



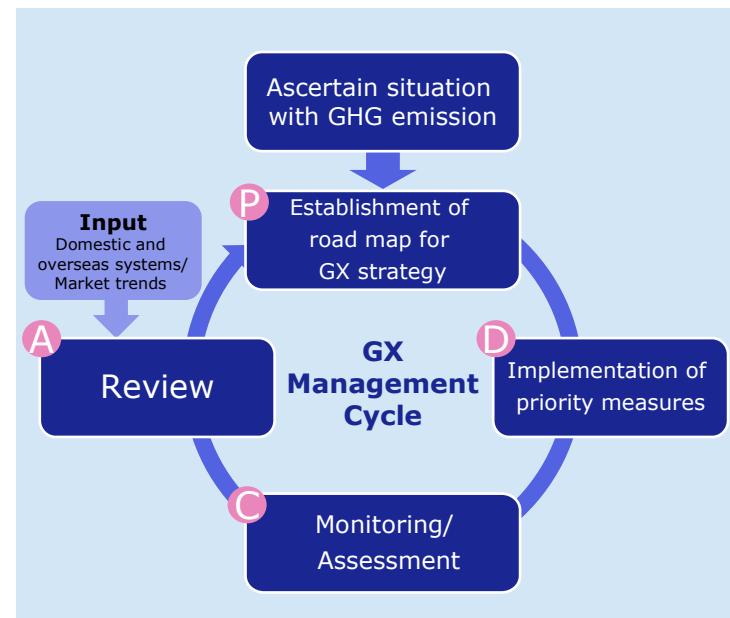
1. Active support of customers' DX initiatives

**Joint creation of businesses by three companies:
Sumitomo Corporation, ABeam Consulting, and SCSK
to resolve industrial and social issues**

Contributing to the realization of carbon neutrality through “GX Concierge”



Corporate GX management cycle



GX support services in collaboration with 3 companies

One-stop support for GX management cycle in collaboration with 3 companies

GX management service

Comprehensive support for the establishment of a GX management cycle that realizes carbon neutrality (analyses of current conditions, visualization, formulation of roadmaps, concrete actions and implementation, etc.)

①	Analyze GX issues and current status	・Determining coverage of Scope and collected data ・Calculation of GHG emissions and verification on a desk
②	GHG data-management (visualization SaaS)	・SaaS requirements defined, design and set-up ・SaaS management
③	Formulation of GX strategies/measures	・Setting targets, selecting priority measures, and evaluating the effects of their introduction ・Formulation of roadmaps and action plans (long-term and short-term)
④	Introduction of GX solutions	・Introduction of solutions for reduction and offset

2. From Client-Oriented to Market-Oriented

•For manufacturing industry: Support all areas with SAP as core

Building businesses (SOR/SOE/SOI) for the manufacturing industry, centered on SAP, which is expected to grow rapidly

Targets customers with annual sales of ¥500 billion or more (approx. 150 companies).

Expanding SAP domains that will become de facto and implementing the followings...

- Incorporate entire value chain, including client contact points and PLM etc
- Comprehensive operations from strategy planning to visualization and analysis

•For Financial industry: Creation of multiple platform businesses

- Realize new business ideas and create businesses in fields that are different from conventional area

Japan version of TAMP (Aug. 2021~)

Efukuri Asset Building Lounge (Apr. 2022~)



- Shift to platform business based on existing businesses

Expansion of business scope with competitive intellectual property and solutions at the core

ex.)Anti-money laundering and other anti-financial crime areas



3. Strategic enhancement of specific areas

Strengthen our Mobility Business

Released on July 20, 2022

**Business Alliance Agreement with FPT Software Company
Regarding Overseas Sales of QINeS BSW**



Released on October 7, 2022 *

SCSK Mobility Services has Redefined its Brand as "QINeS"

Released on October 31, 2022 *

**Establishing a Software Development Subsidiary
Specializing in the Mobility Business Human Resources**



<Beyond 2030 Pursuit of sales of ¥100.0 Billion>

*This release is in Japanese only.

**IR meeting "Mobility Business Strategy" was held on October 7th, 2022. Related documents in English will be available on SCSK website soon.

4. Next Medium-Term Management Plan

<Positioning of Next Mid-term Business Plan (Temp.)>

To dramatically improve "total corporate value,"

- Restructure business fields and models to continue providing new value to customers and society
- Increase the market value of each employee in order to contribute to the creation of a better society through employee growth

■ Important points in formulating the plan

①Market Shift to growth markets and areas to address social issues

②Value provided Shift to high-value-added fields

③Business model Shift to a high-productivity model



• Selection and concentration in each business, customer, and project

• Further Strengthening the Management Foundation

Improving the market value of each employee, strengthening advanced technological capabilities, promoting Well-Being management, enhancing employee engagement etc

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