



---

**Matters concerning controlling shareholders**

---

June 26, 2013— SCSK Corporation (“SCSK”) today announced the following information on matters concerning controlling shareholders with regard to its parent company Sumitomo Corporation.

**1. Parent company, controlling shareholder (excluding parent company), other associated companies, etc.**

(as of March 31, 2013)

Company name	Relationship	% of voting rights held			Stock exchanges on which shares are listed
		Directly held	Indirectly held	Total	
Sumitomo Corporation	Parent company	51.4	—	51.4	Tokyo Stock Exchange (1st section) Osaka Securities Exchange (1st section) Nagoya Stock Exchange (1st section) Fukuoka Stock Exchange

**2. Position of SCSK in corporate group of parent company and relationship with other listed companies, parent company, etc.**

- (1) Position of SCSK in corporate group of parent company and business, personnel and capital relationships with parent company and its group companies

Sumitomo Corporation is the parent company of SCSK, holding 51.4% of SCSK’s voting rights. SCSK is positioned as the core company in IT solutions business of the parent company’s corporate group. Sumitomo Corporation and its group companies are major customers of SCSK and at the same time important partners for business development. SCSK intends to endeavor strengthen and enhance its business while making full use of the capabilities, customer base, global network and other resources possessed by the group.

SCSK is mandated by Sumitomo Corporation and many of its group companies to carry out systems development, maintenance and management work, but this work accounts for under 20% of SCSK’s total sales. Business with Sumitomo Corporation and its group companies is conducted under the same terms and conditions as general business with customers with which SCSK has no capital relationship.

SCSK has appointed two directors and one corporate auditor from Sumitomo Corporation, and 42 Sumitomo Corporation employees have also been seconded to SCSK, aiming to strengthen and enhance SCSK’s business base.

On June 26, 2013, the following persons became directors or corporate auditors of SCSK.

Position	Name	Position at parent company	Reason for appointment
Director (part-time)	Tatsujiro Naito	Corporate Officer, General Manager, Network Division, Media, Network, Lifestyle Related	To maximize SCSK's value
Director (part-time)	Naoaki Mashimo	Corporate Officer, Deputy General Manager, Network Division, General Manager, IT Solution Dept., Media, Network Lifestyle Related , Goods & Services Business Unit	To maximize SCSK's value

Position	Name	Position at parent company	Reason for appointment
Corporate auditor (part-time)	Hideo Ogawa	Corporate Officer, General Manager, Planning & Administration Dept., Goods & Services Business Unit	To strengthen auditing functions from an outside perspective

(2) Business constraints, risks and advantages due to belonging to corporate group of parent company; Impact on management and business activities resulting from business, personnel and capital relationships with parent company, its group companies, etc.

SCSK and Sumitomo Corporation have developed a good relationship, and there are no constraints imposed by Sumitomo Corporation on SCSK's business activities. Sumitomo Corporation and its corporate group are large and stable customers for SCSK, but SCSK is not significantly impacted by trends in products and so forth sold by Sumitomo Corporation and its corporate group.

SCSK has appointed two outside directors and one outside corporate auditor from Sumitomo Corporation. Participation of said directors, which have developed strong management decision-making capabilities through their involvement in a broad range of business at Sumitomo Corporation, in meetings of the board of directors of SCSK is beneficial for maximizing SCSK's corporate value. Likewise, participation in meetings of the board of corporate auditors by said corporate auditor will serve to strengthen SCSK's auditing functions.

The rent for business offices leased to Sumitomo Corporation is set at the market price and there are no special terms or conditions. Therefore, the impact on SCSK's business activities is considered to be limited.

(3) Policy and measures for ensuring sufficient independence from parent company, etc.

Sales to Sumitomo Corporation and its corporate group account for under 20% of SCSK's total sales, and SCSK is endeavoring to further expand sales to non-group customers.

Furthermore, SCSK has freedom in its business activities and engages mostly in independent research and development, market research, planning, purchasing, production and sales activities.

SCSK has appointed two outside directors from Sumitomo Corporation, but as SCSK's board of directors consists of 16 directors, SCSK believes that it can make independent management decisions.

In addition, SCSK itself in principle hires and develops the personnel who will pursue its business

activities. SCSK accepts a considerable number of secondees from Sumitomo Corporation, but the main objective of this is to supplement SCSK's personnel capabilities in positions that require some specialist expertise and experience.

As SCSK manages its business independently of Sumitomo Corporation, there are basically no contracts pertaining to important facilities and licenses that would exert a significant impact on SCSK's business activities.

(Secondments from Sumitomo Corporation) (As of March 31, 2013)

Division	No. of secondees	Company seconded from	Reason for secondment
Business divisions	37	Sumitomo Corporation	Requested by SCSK to expand business base
Other	5	Sumitomo Corporation	Requested by SCSK to enhance corporate functions

\* The total number of employees of SCSK as of March 31, 2013 was 7,494.

#### (4) Ensuring sufficient independence from parent company

As mentioned above, SCSK maintains a close relationship with Sumitomo Corporation and its corporate group, but there are no constraints imposed by Sumitomo Corporation on SCSK's business activities.

### 3. Transactions with controlling shareholder, etc. (April 1, 2012 - March 31, 2013)

#### (1) Transactions with parent company, principal corporate shareholders, etc.

Relationship	Company name	Location	Capital or investment (million yen)	Main business or industry	% of voting rights held	Business relationship	Transactions	Transaction amount (million yen)	Account item	Balance at end of term (million yen)
Parent company	Sumitomo Corporation	Chuo-ku, Tokyo	¥219,278	General trading company	51.4% (directly held)	Large and favored customer for SCSK's software development and information processing businesses	Information processing services, software development, etc.	¥13,904	Accounts receivable	¥2,583
							Sale of shares	¥1,700	—	—
							Gain on sale of investment securities	¥96	—	—

- Notes:
1. Transaction amount above does not include consumption tax, etc. Balance at end of term includes consumption tax, etc.
  2. Transaction terms and conditions and method of deciding them

Regarding information processing services and software development, SCSK creates an estimate for each project individually based on current market prices and cost rates. The terms and conditions are the same as for general transactions. Pricing of any share sales is determined using methods deemed reasonable.

(2) Transactions between SCSK and companies with the same parent company

Relationship	Company name	Location	Capital (million yen)	Main business	Ownership (%) (held by the company)	Business relationship	Transactions	Transaction amount (million yen)	Account item	Balance at end of term (million yen)
Company with the same parent company	Sumitomo Shoji Financial Management Co., Ltd.	Chuo-ku, Tokyo	¥100	Financing	None	Deposition of funds	Deposition of funds	¥149,300	Deposits paid	¥64,000
							Interest received	¥172	Accrued income	20

Notes: 1. Transaction amounts and balances at end of term above do not include consumption tax.  
 2. Transaction terms and conditions and method of deciding them  
 Interest rates on funds deposited are determined similarly to general transaction terms and conditions, taking into account market rates.

**4. Implementation of policies for protecting minority shareholders when transactions are conducted with the parent company or controlling shareholder (excluding the parent company)**

As stated above, SCSK believes that there are no constraints imposed by Sumitomo Corporation on SCSK's business activities, and that SCSK's independence is secured. Furthermore, SCSK endeavors to protect minority shareholders by making appropriate disclosure and always seeking to improve transparency.

Ends