

Consolidated results of operation for 1st quarter of fiscal year ending March 2015

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Consolidated financial results of operation for 1st quarter

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(1) Consolidated statements of income

(Millions of yen)

	Apr. 2013- Jun. 2013	Apr. 2014- Jun. 2014	Increase/Decrease	
			Amount	Change (%)
Net Sales	64,516	66,569	2,053	3.2%
Gross Profit	14,647	14,644	-2	-0.0%
(Gross Profit Margin)	(22.7%)	(22.0%)		
SG&A Expenses	11,158	11,365	206	1.9%
Operating Income	3,488	3,279	-209	-6.0%
(Operating Income Margin)	(5.4%)	(4.9%)		
Ordinary Income	3,750	3,644	-105	-2.8%
Net Income	3,102	3,013	-89	-2.9%

(2) Sales comparison by segment

(Millions of yen)

	Apr. 2013-Jun. 2013 (Composition)	Apr. 2014-Jun. 2014 (Composition)	Increase/Decrease	
			Amount	Change (%)
System Development	27,094 (42.0%)	27,093 (40.7%)	-1	-0.0%
System maintenance and operation/ Services	26,118 (40.5%)	26,758 (40.2%)	639	2.4%
Packaged Software /Hardware Sales	10,550 (16.4%)	11,807 (17.7%)	1,257	11.9%
Prepaid Card	752 (1.1%)	910 (1.4%)	158	21.0%
Total	64,516 (100.0%)	66,569 (100.0%)	2,053	3.2%

(3) Incoming orders and backlog

(Millions of yen)

		Apr. 2013- Jun. 2013 (Composition)	Apr. 2014- Jun. 2014 (Composition)	Increase/Decrease	
				Amount	Change (%)
System Development	Incoming orders	27,442	32,367	4,925	17.9%
	Backlog	23,166	25,545	2,379	10.3%
System maintenance and operation/ Services	Incoming orders	26,467	28,249	1,782	6.7%
	Backlog	64,939	67,959	3,020	4.7%
Packaged Software /Hardware Sales	Incoming orders	12,343	14,383	2,040	16.5%
	Backlog	7,379	9,311	1,932	26.2%
Total	Incoming orders	66,252	74,999	8,747	13.2%
	Backlog	95,484	102,816	7,332	7.7%

(4) Sales comparison by customer industry

(Millions of yen)

	Apr. 2013-Jun. 2013		Apr. 2014 –Jun. 2014		Increase/ Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	18,260	28.3%	19,214	28.9%	954	5.2%
Distributors	10,876	16.9%	10,863	16.3%	-12	-0.1%
Financial Institutions	14,557	22.6%	15,113	22.7%	556	3.8%
Banks	4,913	7.6%	5,174	7.8%	260	5.3%
Securities Firms	1,692	2.6%	1,788	2.7%	96	5.7%
Shopping Credit/ Leasing Companies	2,229	3.5%	2,557	3.8%	327	14.7%
Insurance Companies	5,721	8.9%	5,593	8.4%	-128	-2.2%
Communications/ Transportation	8,477	13.1%	9,097	13.7%	620	7.3%
Utilities	387	0.6%	479	0.7%	92	23.8%
Services	8,448	13.1%	8,340	12.5%	-107	-1.3%
Others※	3,509	5.4%	3,459	5.2%	-49	-1.4%
Total	64,516	100.0%	66,569	100.0%	2,053	3.2%

※ “Others” include sales of prepaid card business.

(5) Business performance by reported segment

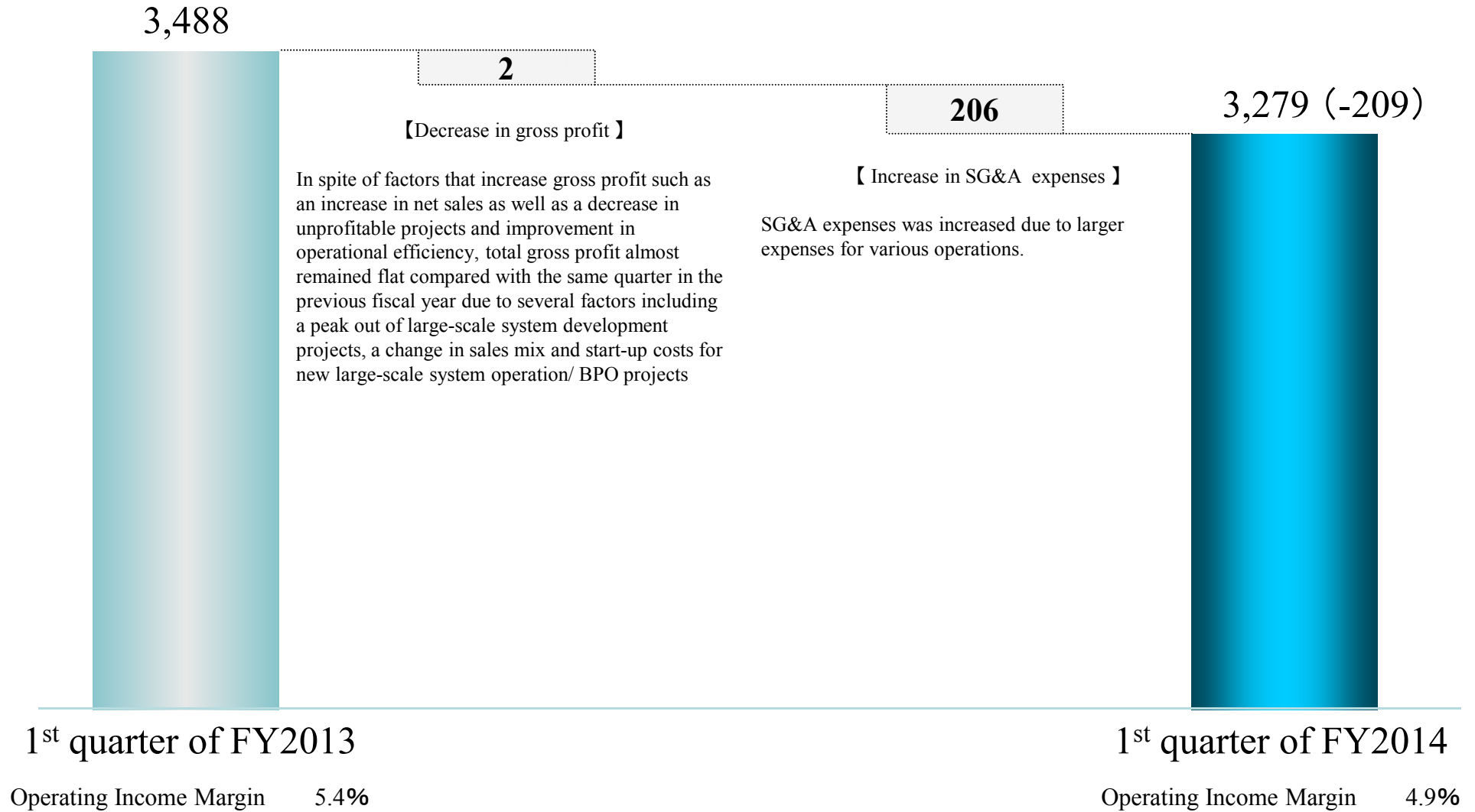
(Millions of yen)

		Apr. 2013–Jun. 2013	Apr. 2014 –Jun. 2014	Increase/ Decrease	Change (%)
Industrial Systems Business	External Sales	15,705	16,361	656	4.2%
	Operating Income	665	484	-181	-27.2%
Financial Systems Business	External Sales	12,922	12,787	-135	-1.0%
	Operating Income	901	1,161	259	28.8%
Global Systems Business	External Sales	3,237	3,112	-124	-3.9%
	Operating Income	539	364	-175	-32.5%
Business Solutions	External Sales	3,908	3,442	-466	-11.9%
	Operating Income	441	130	-310	-70.4%
Business Services	External Sales	7,534	7,910	375	5.0%
	Operating Income	238	159	-78	-32.9%
IT Management	External Sales	8,795	9,497	701	8.0%
	Operating Income	645	884	238	37.0%
IT Platform Solutions	External Sales	11,463	12,359	896	7.8%
	Operating Income	135	256	121	90.0%
Prepaid Card Business	External Sales	752	910	158	21.0%
	Operating Income	76	116	39	52.0%
Others	External Sales	195	187	-8	-4.5%
	Operating Income	24	34	10	40.3%
Adjustment	External Sales	—	—	—	—
	Operating Income	-180	-313	-133	—
Total	External Sales	64,516	66,569	2,053	3.2%
	Operating Income	3,488	3,279	-209	-6.0%

*Internal Sales have been eliminated.

(6) Operating income analysis

(Millions of yen)



(7) Consolidated balance sheet

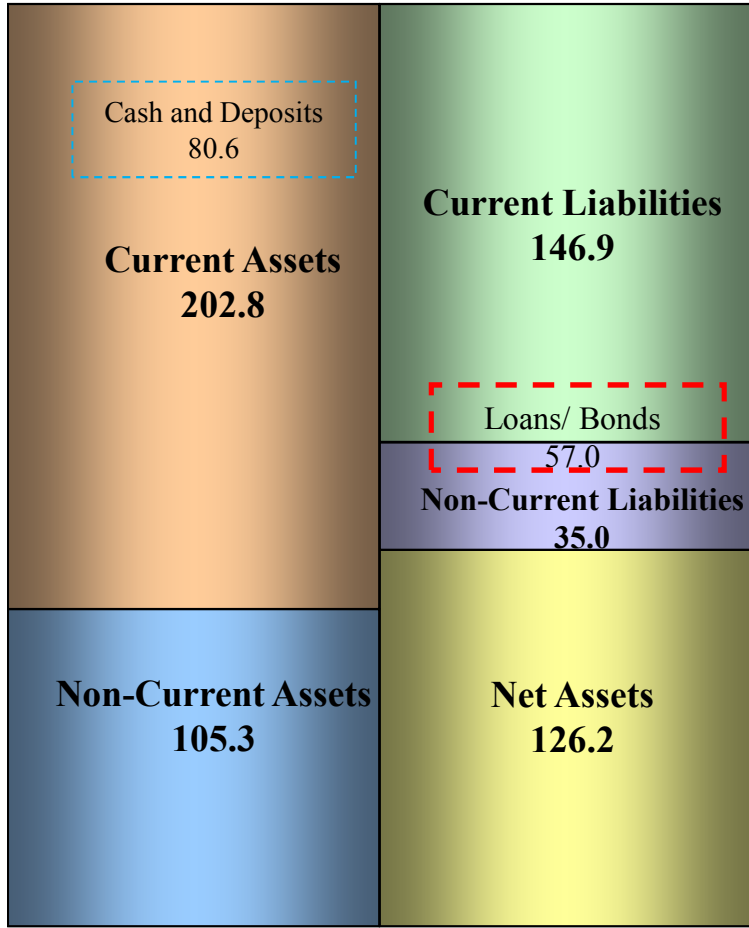
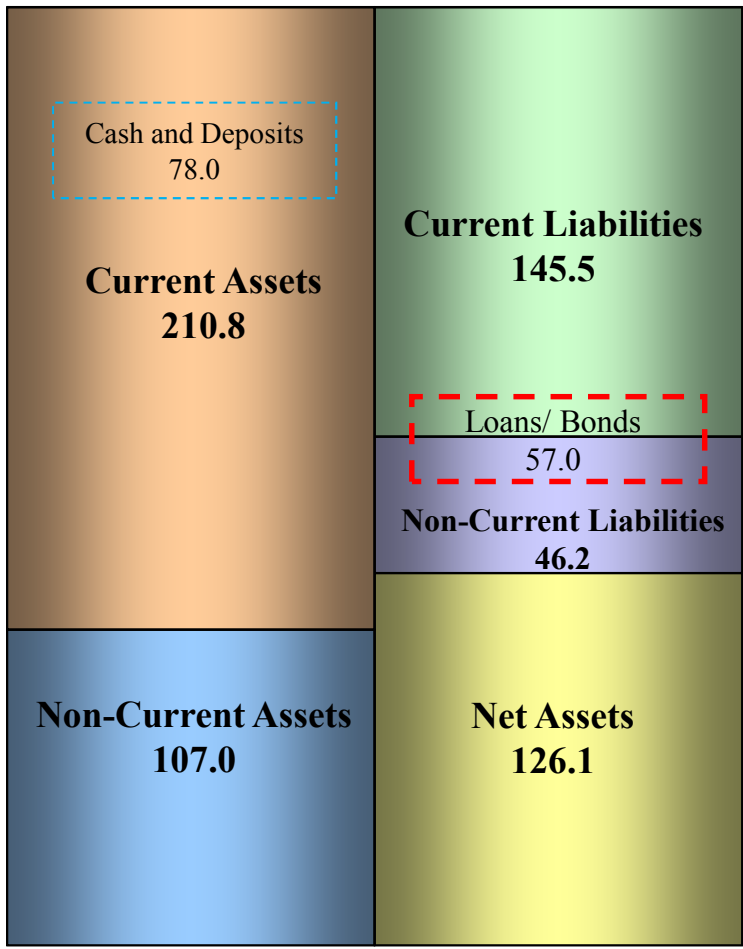
(Billions of yen)

As of March 31, 2014

As of June 30, 2014

Total Assets 317.9

Total Assets 308.1



Equity ratio 37.9%
BPS 1,161.29 yen

Equity ratio 39.1%
BPS 1,161.58 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.

Disclaimer

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