

# Consolidated Results of Operations for Fiscal Year Ended March 2017

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# 1.- (1) Highlights for FY2016

## Net Sales

329,303 JPY Million  
YoY + 1.7%

## Operating Profit

33,714 JPY Million  
YoY + 6.1%

## Order Backlog

117,151 JPY Million  
YoY + 7.1%

## Operating Margin

10.2%  
YoY + 0.4 p.p.

# 1.- (2) Consolidated Statements of Income

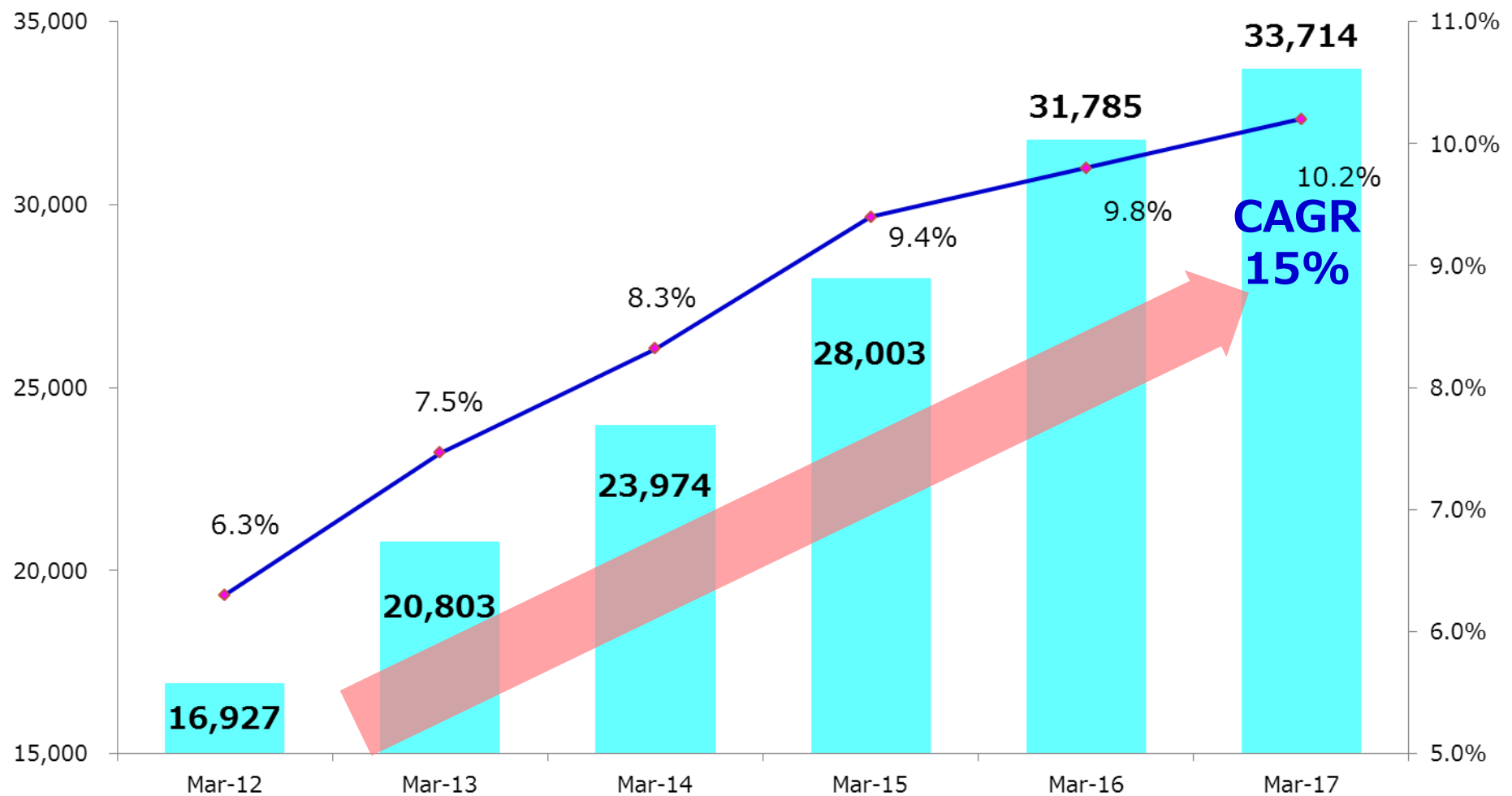
(Millions of yen)

	Apr. 2015- Mar. 2016	<b>Apr. 2016- Mar. 2017</b>	Increase/Decrease	
			Amount	Change (%)
Net Sales	323,945	<b>329,303</b>	5,358	1.7%
Gross Profit	78,021	<b>81,754</b>	3,733	4.8%
(Gross Margin)	(24.1%)	<b>(24.8%)</b>		
SG&A Expenses	46,235	<b>48,040</b>	1,804	3.9%
Operating Profit	31,785	<b>33,714</b>	1,928	6.1%
(Operating Margin)	(9.8%)	<b>(10.2%)</b>		
Ordinary Profit	33,610	<b>36,121</b>	2,511	7.5%
Profit attributable to owners of parent	26,956	<b>28,458</b>	1,502	5.6%

# 1.- (3) Operating Profit Trend(FY11-FY16)

## Operating Profit / Operating Margin

(Millions of yen)



# 1.- (4) Sales Comparison by Segment

(Millions of yen)

	Apr. 2015- Mar. 2016	Apr. 2016- Mar. 2017	Increase/Decrease	
			Amount	Change (%)
Systems Development	124,470 (38.4%)	<b>127,051</b> (38.6%)	2,581	2.1%
System Maintenance and Operation/ Services	119,170 (36.8%)	<b>125,802</b> (38.2%)	6,631	5.6%
Packaged Software/ Hardware Sales	77,087 (23.8%)	<b>73,147</b> (22.2%)	-3,939	-5.1%
Prepaid Card	3,217 (1.0%)	<b>3,302</b> (1.0%)	85	2.6%
Total	323,945 (100.0%)	<b>329,303</b> (100.0%)	5,358	1.7%

# 1.- (5) Incoming Orders and Backlog

(Millions of yen)

		Apr. 2015- Mar. 2016	Apr. 2016- Mar. 2017	Increase/Decrease	
				Amount	Change (%)
Systems Development	Incoming orders	125,946	<b>127,264</b>	1,318	1.0%
	Backlog	25,111	<b>25,324</b>	212	0.8%
Systems Maintenance and Operation/ Services	Incoming orders	122,784	<b>129,881</b>	7,097	5.8%
	Backlog	77,771	<b>81,850</b>	4,079	5.2%
Packaged Software /Hardware Sales	Incoming orders	75,335	<b>76,624</b>	1,288	1.7%
	Backlog	6,500	<b>9,977</b>	3,476	53.5%
Total	Incoming orders	324,066	<b>333,770</b>	9,703	3.0%
	Backlog	109,382	<b>117,151</b>	7,769	7.1%

# 1.- (6) Sales Comparison by Customer Industry

(Millions of yen)

	Apr. 2015-Mar. 2016		Apr. 2016 –Mar. 2017		Increase/ Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	88,202	27.2%	<b>92,097</b>	<b>28.0%</b>	3,894	4.4%
Distributors	49,886	15.4%	<b>51,287</b>	<b>15.6%</b>	1,401	2.8%
Financial Institutions	74,324	22.9%	<b>74,525</b>	<b>22.6%</b>	200	0.3%
Banks	23,779	7.3%	<b>25,265</b>	<b>7.7%</b>	1,486	6.3%
Securities Firms	11,613	3.6%	<b>9,367</b>	<b>2.8%</b>	-2,245	-19.3%
Shopping Credit/ Leasing Companies	12,108	3.7%	<b>12,124</b>	<b>3.7%</b>	16	0.1%
Insurance Companies	26,823	8.3%	<b>27,767</b>	<b>8.4%</b>	944	3.5%
Communications/ Transportation	57,572	17.8%	<b>53,897</b>	<b>16.4%</b>	-3,674	-6.4%
Utilities	3,804	1.2%	<b>3,435</b>	<b>1.0%</b>	-369	-9.7%
Services	33,903	10.5%	<b>35,675</b>	<b>10.8%</b>	1,772	5.2%
Others※	16,250	5.0%	<b>18,383</b>	<b>5.6%</b>	2,133	13.1%
Total	323,945	100.0%	<b>329,303</b>	<b>100.0%</b>	5,358	1.7%

# 1.- (7) Business Performance by Reported Segment

(Millions of yen)

External Sales	Manufacturing Systems	Telecommunication Systems	Distribution Systems	Financial Systems	Business Solution	Business Services	Platform Solution	Prepaid Card	Others	Adjustments	Total
Apr. 2016~ Mar. 2017	42,694	26,248	48,280	70,529	19,289	42,811	75,379	3,302	766	—	329,303
Apr. 2015~ Mar. 2016	40,481	24,545	48,577	70,887	19,052	39,273	77,135	3,217	774	—	323,945
Increase/Decrease (Amount)	2,212	1,703	-297	-358	237	3,538	-1,755	85	-8	—	5,358
Increase/Decrease (%)	5.5%	6.9%	-0.6%	-0.5%	1.2%	9.0%	-2.3%	2.6%	-1.0%	—	1.7%

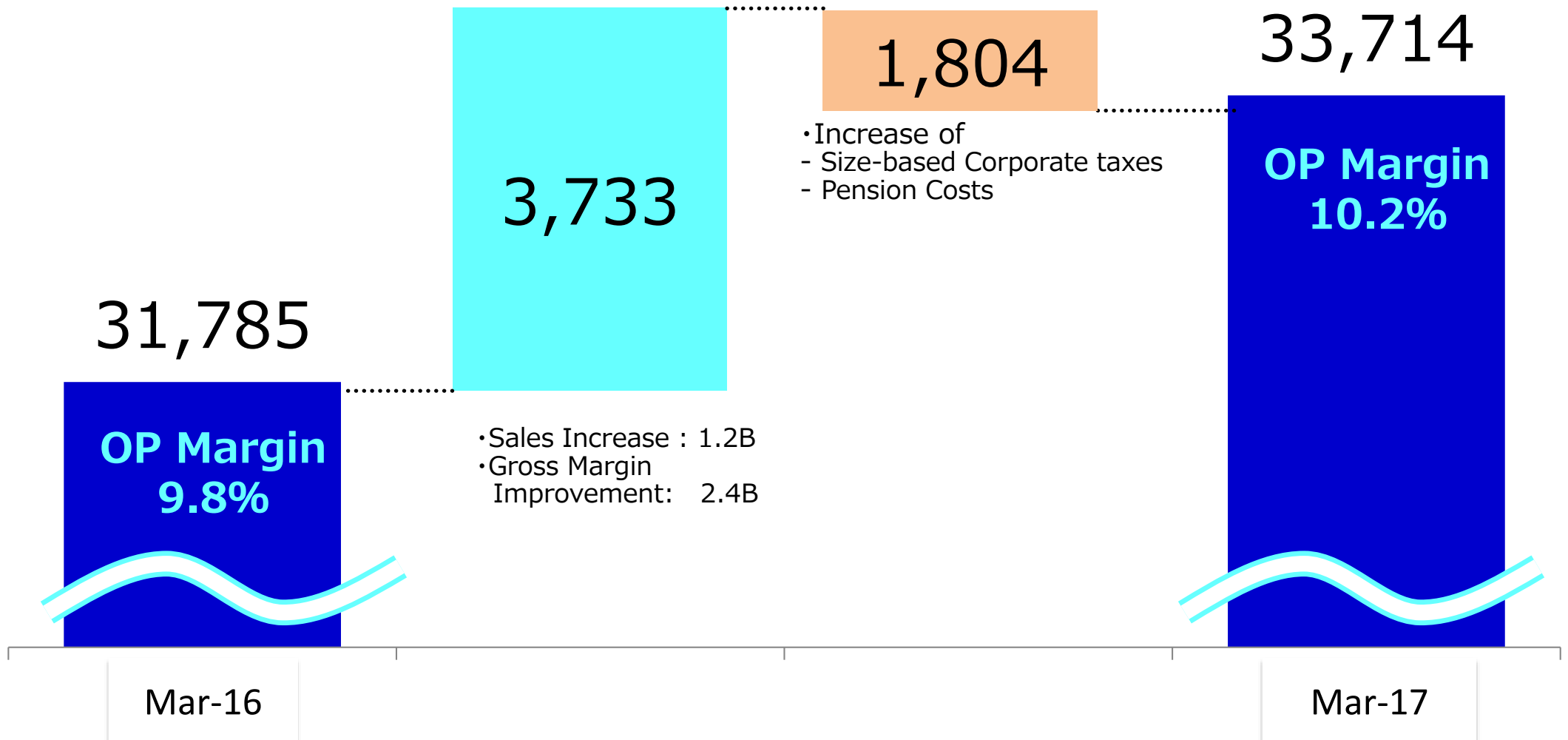
Operating Income	Manufacturing Systems	Telecommunication Systems	Distribution Systems	Financial Systems	Business Solution	Business Services	Platform Solution	Prepaid Card	Others	Adjustments	Total
Apr. 2016~ Mar. 2017	3,290	5,206	7,133	7,296	2,087	3,303	7,138	278	260	-2,278	33,714
Apr. 2015~ Mar. 2016	3,001	4,212	6,822	8,359	1,592	2,840	6,316	225	313	-1,898	31,785
Increase/Decrease (Amount)	288	993	310	-1,063	494	462	822	53	-53	-379	1,928
Increase/Decrease (%)	9.6%	23.6%	4.6%	-12.7%	31.0%	16.3%	13.0%	23.5%	-16.9%	—	6.1%

# 1.- (8) Operating Profit Analysis

(Millions of yen)

【Increase of Gross Profit】

【Increase of SG&A】



# 1.- (9) Consolidated Balance Sheets

As of March 31, 2016

(Billions of yen)

Total Assets 352.6

Current Assets 238.1	Total Liabilities 201.1
Cash and Cash Deposits 99.8	Loans/Bonds 50.0
Fixed Assets 114.5	Net Assets 151.5

Equity Ratio 41.2%  
BPS JPY1,401.00

As of March 31, 2017

(Billions of yen)

Total Assets 389.5

Current Assets 272.3	Total Liabilities 215.8
Cash and Cash Deposits 125.5	Loans/Bonds 60.0
Fixed Assets 117.2	Net Assets 173.6

Equity Ratio 42.8%  
BPS JPY 1,607.74

## 2. Financial Forecasts for FY 2017

(Millions of yen)

	Apr. 2016- Mar. 2017	<b>Apr. 2017- Mar. 2018 (Forecasts)</b>	<i>Increase/ Decrease</i>	
			<i>Amount</i>	<i>Change (%)</i>
<b>Sales</b>	329,303	<b>340,000</b>	10,696	3.2%
<b>Gross Profit</b>	81,754	<b>85,500</b>	3,745	4.6%
(Gross Margin)	(24.8%)	<b>(25.1%)</b>		
<b>SG&amp;A</b>	48,040	<b>49,500</b>	1,459	3.0%
<b>Operating Profit</b>	33,714	<b>36,000</b>	2,285	6.8%
(Operating Margin)	(10.2%)	<b>(10.6%)</b>		
<b>Ordinary Profit</b>	36,121	<b>37,000</b>	878	2.4%
<b>Profit Attributable to Owners of Parent</b>	28,458	<b>24,500</b>	-3,958	-13.9%

# 3. Dividend Forecasts for FY2017

(Millions of yen)

	Apr. 2015- Mar. 2016	Apr. 2016- Mar. 2017		Apr. 2017- Mar. 2018 (Forecasts)
		Forecasts	Actual	
Annual Dividend Per Share	JPY75	JPY85	JPY90	<b>JPY95</b>
Total Dividend Amount	7,801	8,842	9,362	<b>9,883</b>
Profit Attributable to Owners of Parent	26,956	25,000	28,458	<b>24,500</b>
Payout Ratio	29%	35%	33%	<b>40%</b>

<Reference : Estimates on normal tax rate basis>

<i>Profit Attributable to Owners of Parent</i>	<i>20,900</i>	<i>22,100</i>	<i>23,958</i>
<i>Payout Ratio</i>	<i>37%</i>	<i>40%</i>	<i>39%</i>

## 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 (External Sales and Operating Income by Reported Segment) to enable a fair comparison with this year's data under realigned reported segments.

## Disclaimer

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