

Results of Operations for 2nd Quarter of Fiscal Year Ending March 2019

Tooru Tanihara Representative Director President and Chief Operating Officer

SCSK Corporation October 29, 2018

I . Financial Results for 2nd Quarter of FY2018



(Billions of Yen)

	Apr. 2017-	Apr. 2018-	Increase/Decrease	
	Sept. 2017	Sept. 2018	Amount	%
Net Sales	163.4	167.4	3.9	2.4%
Operating Profit	13.2	16.0	2.7	20.6%
Ordinary Profit	14.2	16.3	2.0	14.6%
Net Profit Attributable to Owners of Parent	12.0	10.8	-1.1	-10.0%

I . Forecasts for FY2018



No change from initial forecasts

(Billions of Yen)

	Apr. 2017- Mar. 2018	Apr. 2018- Mar. 2019 (Forecast)	Increase/Decrease	
			Amount	%
Net Sales	336.6	345.0	8.3	2.5%
Operating Profit	34.6	37.0	2.3	6.9%
Ordinary Profit	36.2	37.5	1.2	3.3%
Net Profit Attributable to Owners of Parent	32.4	25.0	-7.4	-23.1%

II. Shift to Service-Oriented Businesses



2nd Quarter of FY2017 \pm 34.0B \rightarrow 2nd Quarter of FY2018 \pm 36.0B (YOY 6%)

Financial Institutions

- BankSavior
- MINEFOCUS
- FR2GO
- Securities Operation Systems

Core Systems

- ProActive
- FastAPP
- CFL F

Communication

- PrimeTiaas
- Call Centers
- Billing Systems, CRM Solutions

Telecommunications

IT Infrastructure Management

- **■** USiZE
- AMO Services
- CarePlus

Manufacturers

Industry Focus

Platform Services

- Digital Marketing
- Pimacs
- atWill

- Systems for Omni-Channeling Approach
- EC total outsourcing
- SUMAKURA
- **■** CHOIS

Distributors

III. Automotive Software Systems Business



■ SCSK's Automotive Software Systems Business

- 1. Development of Customized Application
- 2. Development and Sales of Our Proprietary Software
 - ·Develop ECU Basic Software (QINeS-BSW) and Related Services
 - •Provide Customers with QINeS Related Products, System Integration Services (Implementation Support Services and Application Development Services

Customized Application
Development
(SI / Model Base Development)

QINeS
Implementa
-tion
Support
Services

QINeS-BSW (ECU Basic Software)

Microcomputer

Related Services

- Training
- Processes
- Development Tool

System Integration
Products & Services

- •QINeS-BSW : ECU Basic Software, developed by this business segment
- ·QINeS: high **Q**uality **IN**novation in the **E**CU-based **S**oftware
- •BSW:
 Stands for: **B**asic **S**oftware
 Basic Software comprising OS for ECU

Ensuring high quality, QINeS realizes high productivity in automotive software development which became more complex, large in size.

Contribute to Global Competitiveness of Japanese Auto Industry

IV. Commercialization of Digital Transformations (DX)



■ Establish the DX & Innovation Business Committee

This cross-Company organization will be supporting the creation and commercialization of new business models, both together with customers and exclusively.



Create Our Future of Dreams

We create our future of dreams by establishing value based on our customers' trust.



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.
- SCSK cannot be held responsible for losses resulting from information contained in this report. This report should not be reproduced or retransmitted without authorization.