



IT Holdings

Information Meeting Materials for the First Two Quarters of Fiscal 2012 (Supplementary Materials)

November 2, 2011

IT Holdings Corporation

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Supplementary Materials

Fiscal 2012 Two-Quarter Performance Summary



ITHD, Consolidated (Millions of yen)	Fiscal 2011		Fiscal 2012		YOY Change	
	First Two Quarters		First Two Quarters			
Net sales		154,009		154,682	+0.4%	+673
IT Infrastructure services	35.4%	54,585	35.0%	54,163	-0.8%	-422
Financial IT services	22.6%	34,821	20.7%	32,088	-7.8%	-2,733
Industrial IT services	39.5%	60,860	42.0%	64,989	+6.8%	+4,129
Other business	2.4%	3,743	2.2%	3,440	-8.1%	-303
Operating income	3.0%	4,667	3.0%	4,683	+0.3%	+16
Recurring profit	3.1%	4,762	3.0%	4,679	-1.7%	-83
Net income (loss)	0.7%	1,004	(0.9)%	(1,469)	-	-2,473

ITHD, Consolidated (Millions of yen)	First Two Quarters of Fiscal 2012				Difference		(References) Revised estimate, on Oct. 4, 2011
	Original Estimates		Actual				
Net sales		151,500		154,682	+2.1%	+3,182	156,500
IT Infrastructure services	35.5%	53,800	35.0%	54,163	+0.7%	+363	-
Financial IT services	21.7%	32,800	20.7%	32,088	-2.2%	-712	-
Industrial IT services	40.5%	61,300	42.0%	64,989	+6.0%	+3,689	-
Other business	2.4%	3,600	2.2%	3,440	-4.4%	-160	-
Operating income	2.0%	3,000	3.0%	4,683	+56.1%	+1,683	4,000
Recurring profit	1.8%	2,800	3.0%	4,679	+67.1%	+1,879	4,000
Net income (loss)	0.7%	1,000	(0.9)%	(1,469)	-	-2,469	(2,000)

Fiscal 2012 Two-Quarter: Sales by Client Sector



ITHD, Consolidated (Millions of yen)	Fiscal 2011 First Two Quarters		Fiscal 2012 First Two Quarters		YOY Change	
Net sales		154,009		154,682	+0.4%	+673
Credit card	17.3%	26,583	13.5%	20,884	-21.4%	-5,699
Banking	7.9%	12,219	8.2%	12,676	+3.7%	+457
Insurance	7.5%	11,595	7.4%	11,410	-1.6%	-185
Other finance	6.0%	9,305	7.1%	11,058	+18.8%	+1,753
Assembly-based manufacturing	14.3%	21,987	12.8%	19,866	-9.6%	-2,121
Processing-based manufacturing	8.5%	13,033	9.5%	14,728	+13.0%	+1,695
Distribution	7.4%	11,339	8.2%	12,645	+11.5%	+1,306
Services	21.3%	32,727	20.7%	32,052	-2.1%	-675
Public institutions	7.6%	11,670	9.1%	14,123	+21.0%	+2,453
Others	2.3%	3,551	3.4%	5,235	+47.4%	+1,684

Fiscal 2012 Two-Quarter: Sales and Income by Business Segment



ITHD, Consolidated (Millions of yen)		Fiscal 2011 First Two Quarters	Fiscal 2012 First Two Quarters	YOY Change		Original Estimates	Difference from Original Estimates	
IT Infrastructure Services	Net sales	55,528 36.1%	55,180 35.7%	-0.6%	-348	54,700 36.1%	+0.9%	+480
	Operating income	3,863 82.8%	3,640 77.7%	-5.8%	-223	2,100 70.0%	+73.3%	+1,540
	Operating income ratio	7.0%	6.6%			3.8%		
Financial IT Services	Net sales	34,858 22.6%	32,233 20.8%	-7.5%	-2,625	32,900 21.7%	-2.0%	-667
	Operating income	1,640 35.1%	1,219 26.0%	-25.7%	-421	800 26.7%	+52.4%	+419
	Operating income ratio	4.7%	3.8%			2.4%		
Industrial IT Services	Net sales	64,284 41.7%	69,184 44.7%	+7.6%	+4,900	64,700 42.7%	+6.9%	+4,484
	Operating loss	(473) (10.1)%	(378) (8.1)%	-	+95	400 13.3%	-	-778
	Operating loss ratio	(0.7)%	(0.5)%			0.6%		
Other Business	Net sales	8,312 5.4%	7,723 5.0%	-7.1%	-589	8,200 5.4%	-5.8%	-477
	Operating income	644 13.8%	1,091 23.3%	+69.4%	+447	600 20.0%	+81.8%	+491
	Operating income ratio	7.7%	14.1%			7.3%		
Inter-segment elimination/ adjustments	Net sales	(8,974)	(9,639)		-665	(9,000)		-639
	Operating income	(1,006)	(888)		+118	(900)		+12

Net sales for each segment include intersegment sales.

Fiscal 2012 Two-Quarter: Financial Position and Cash Flow Analysis



ITHD, Consolidated (Millions of yen)	At March 31, 2011		At September 30, 2011		YOY Change	
Current assets	42.7%	128,455	41.1%	119,854	-6.7%	-8,601
Fixed assets	57.3%	172,620	58.9%	171,891	-0.4%	-729
Total assets	100.0%	301,076	100.0%	291,745	-3.1%	-9,331
Current liabilities	24.3%	73,090	25.1%	73,169	+0.1%	+79
Non-current liabilities	25.5%	76,875	24.7%	71,989	-6.4%	-4,886
Net assets	50.2%	151,110	50.2%	146,585	-3.0%	-4,525
Total liabilities and net assets	100.0%	301,076	100.0%	291,745	-3.1%	-9,331
Total interest-bearing debt	25.7%	77,455	25.4%	74,118	-4.3%	-3,337
Equity ratio		47.7%		47.8%		

Total interest-bearing debt indicate total sum of borrowed money and corporate bonds.

ITHD, Consolidated (Millions of yen)	Fiscal 2011 First Two Quarters	Fiscal 2012 First Two Quarters	YOY Change	
Cash and cash equivalents at the beginning of the period			-22.3%	-10,495
	46,987	36,492		
Cash flows from operating activities	16,690	9,985	-40.2%	-6,705
Cash flows from investing activities	(6,410)	(9,750)	-	-3,340
Cash flows from financing activities	(18,288)	(5,868)	-	+12,420
Others	3	327	-	+324
Cash and cash equivalents at the end of the period			-20.0%	-7,795
	38,982	31,187		
Free cash flows	10,280	235	-97.7%	-10,045

Free cash flows indicate total sum of cash flow from operating activities and cash flow from investing activities.

Fiscal 2012 Two-Quarter: Principal Subsidiaries, TIS and INTEC



TIS, Nonconsolidated (Millions of yen)	Fiscal 2011		Fiscal 2012		YOY Change		Original Estimates		Difference from Original Estimates	
	First Two Quarters		First Two Quarters							
Net sales		72,967		70,363	-3.6%	-2,604		70,000	+0.5%	+363
IT Infrastructure services	39.8%	29,067	40.6%	28,566	-1.7%	-501	40.3%	28,200	+1.3%	+366
Financial IT services	30.7%	22,429	26.3%	18,501	-17.5%	-3,928	29.1%	20,400	-9.3%	-1,899
Industrial IT services	29.4%	21,471	33.1%	23,296	+8.5%	+1,825	30.6%	21,400	+8.9%	+1,896
Operating income	2.7%	1,986	2.5%	1,725	-13.1%	-261	0.1%	100	+1625.0%	+1,625
Recurring income	4.6%	3,335	3.4%	2,375	-28.8%	-960	0.6%	400	+493.8%	+1,975
Net income (loss)	2.0%	1,441	(3.6)%	(2,524)	-	-3,965	0.2%	150	-	-2,674

SORUN and UFIT merged into TIS on April 1, 2011. Amounts for fiscal 2011 are simple totals combining the non-consolidated results of TIS, SORUN and UFIT.

INTEC, Nonconsolidated (Millions of yen)	Fiscal 2011		Fiscal 2012		YOY Change		Original Estimates		Difference from Original Estimates	
	First Two Quarters		First Two Quarters							
Net sales		41,555		43,402	+4.4%	+1,847		41,500	+4.6%	+1,902
IT Infrastructure services	25.9%	10,747	25.9%	11,228	+4.5%	+481	25.8%	10,700	+4.9%	+528
Financial IT services	20.8%	8,654	20.5%	8,919	+3.1%	+265	21.0%	8,700	+2.5%	+219
Industrial IT services	53.3%	22,154	53.6%	23,254	+5.0%	+1,100	53.3%	22,100	+5.2%	+1,154
Operating income	3.5%	1,436	2.8%	1,211	-15.7%	-225	3.9%	1,600	-24.3%	-389
Recurring income	3.3%	1,379	2.7%	1,189	-13.8%	-190	3.6%	1,500	-20.7%	-311
Net income	0.7%	311	1.1%	499	+60.5%	+188	0.9%	360	+38.6%	+139

Nippon System Gijutsu Co. Ltd and INTEC Systems Institute, Inc. merged into INTEC on April 1, 2011.

Revisions to Fiscal 2012 Full-Year Forecasts

ITHD, Consolidated (Millions of yen)	Previous Forecasts (May 11, 2011)		Revised Forecasts (November 2, 2011)		Difference	
Net sales		308,000		325,000	+5.5%	+ 17,000
IT Infrastructure services	34.9%	107,600	33.3%	108,100	+0.5%	+ 500
Financial IT services	21.4%	66,000	20.8%	67,500	+2.3%	+ 1,500
Industrial IT services	41.3%	127,300	44.0%	142,900	+12.3%	+ 15,600
Other business	2.3%	7,100	2.0%	6,500	-8.5%	- 600
Operating income	3.6%	11,000	4.3%	14,000	+27.3%	+ 3,000
Recurring income	3.4%	10,500	4.2%	13,500	+28.6%	+ 3,000
Net income	1.1%	3,500	0.6%	2,000	-42.9%	- 1,500

Revisions to Fiscal 2012 Full-Year Forecasts: Sales and Income by Business Segment



ITHD, Consolidated (Millions of yen)		Previous Forecasts (May 11, 2011)	Revised Forecasts (November 2, 2011)	Difference	
IT Infrastructu re Services	Net sales	109,700 35.6%	110,000 33.8%	+0.3%	+300
	Operating income	5,600 50.9%	7,000 50.0%	+25.0%	+1,400
	Operating income ratio	5.1%	6.4%		
Financial IT Services	Net sales	66,400 21.6%	67,800 20.9%	+2.1%	+1,400
	Operating income	2,000 18.2%	3,900 27.9%	+95.0%	+1,900
	Operating income ratio	3.0%	5.8%		
Industrial IT Services	Net sales	134,500 43.7%	151,200 46.5%	+12.4%	+16,700
	Operating income	3,900 35.5%	3,000 21.4%	-23.1%	-900
	Operating income ratio	2.9%	2.0%		
Other Business	Net sales	16,500 5.4%	16,000 4.9%	-3.0%	-500
	Operating income	1,300 11.8%	1,900 13.6%	+46.2%	+600
	Operating income ratio	7.9%	11.9%		
Inter-segment elimination/ adjustments	Net sales	(19,100)	(20,000)	-	-900
	Operating income	(1,800)	(1,800)	-	-

Net sales for each segment include intersegment sales.

Fiscal 2012 Full-Year Forecasts



ITHD, Consolidated (Millions of yen)	Fiscal 2011 Full year (actual)		Fiscal 2012 Full year (Revised Estimates)		YOY Change	
Net sales		323,173		325,000	+0.6%	+1,827
IT Infrastructure services	33.8%	109,092	33.3%	108,100	-0.9%	-992
Financial IT services	22.4%	72,550	20.8%	67,500	-7.0%	-5,050
Industrial IT services	41.6%	134,328	44.0%	142,900	+6.4%	+8,572
Other business	2.2%	7,202	2.0%	6,500	-9.7%	-702
Operating income	4.0%	12,818	4.3%	14,000	+9.2%	+1,182
Recurring income	3.9%	12,625	4.2%	13,500	+6.9%	+875
Net income	1.9%	5,985	0.6%	2,000	-66.6%	-3,985

Fiscal 2012 Full-Year Forecasts: Sales and Income by Business Segment



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ITHD, Consolidated (Millions of yen)		Fiscal 2011 Full year (actual)	Fiscal 2012 Full year (Revised Estimates)	YOY Change	
IT Infrastructure Services	Net sales	110,916	110,000	-0.8%	-916
		34.3%	33.8%		
	Operating income	8,132	7,000	-13.9%	-1,132
		63.4%	50.0%		
	Operating income ratio	7.3%	6.4%		
Financial IT Services	Net sales	72,665	67,800	-6.7%	-4,865
		22.5%	20.9%		
	Operating income	3,923	3,900	-0.6%	-23
		30.6%	27.9%		
	Operating income ratio	5.4%	5.8%		
Industrial IT Services	Net sales	141,294	151,200	+7.0%	+9,906
		43.7%	46.5%		
	Operating income	1,625	3,000	+84.6%	+1,375
		12.7%	21.4%		
	Operating income ratio	1.2%	2.0%		
Other Business	Net sales	16,596	16,000	-3.6%	-596
		5.1%	4.9%		
	Operating income	1,314	1,900	+44.6%	+586
		10.3%	13.6%		
	Operating income ratio	7.9%	11.9%		
Inter-segment elimination/ adjustments	Net sales	(18,298)	(20,000)	-	-1,702
	Operating income	(2,175)	(1,800)	-	+375

Net sales for each segment include intersegment sales.

Fiscal 2012 Full-Year Forecasts: Principal Subsidiaries, TIS and INTEC



TIS, Nonconsolidated (Millions of yen)	Fiscal 2011 Full year (actual)	Fiscal 2012 Full year (Revised Estimates)	YOY Change	Original Estimates	Difference from Original Estimates
Net sales	153,567	151,000	-1.7% -2,567	148,600	+1.6% +2,400
IT Infrastructure Services	37.8% 58,058	36.2% 54,700	-5.8% -3,358	38.2% 56,800	-3.7% -2,100
Financial IT Services	30.4% 46,673	27.5% 41,500	-11.1% -5,173	28.9% 43,000	-3.5% -1,500
Industrial IT Services	31.8% 48,836	36.3% 54,800	+12.2% +5,964	32.8% 48,800	+12.3% +6,000
Operating income	3.8% 5,847	4.3% 6,500	+11.2% +653	3.0% 4,500	+44.4% +2,000
Recurring income	4.6% 7,133	4.6% 6,900	-3.3% -233	3.2% 4,700	+46.8% +2,200
Net income	1.5% 2,301	0.7% 1,000	-56.5% -1,301	0.9% 1,300	-23.1% -300

SORUN and UFIT merged into TIS on April 1, 2011. Amounts for fiscal 2011 are simple totals combining the non-consolidated results of TIS, SORUN and UFIT. On October 1, 2011, the on-site outsourcing business (net sales: about ¥2.5 billion; operating income: about ¥400 million) previously undertaken by TIS and which is conducted by retaining a permanent presence at customer sites, was transferred to TIS Solution Link Inc.

INTEC, Nonconsolidated (Millions of yen)	Fiscal 2011 Full year (actual)	Fiscal 2012 Full year (Revised Estimates)	YOY Change	Original Estimates	Difference from Original Estimates
Net sales	89,406	91,700	+2.6% +2,294	87,700	+4.6% +4,000
IT Infrastructure Services	24.3% 21,751	24.5% 22,500	+3.4% +749	24.7% 21,700	+3.7% +800
Financial IT Services	20.5% 18,339	20.0% 18,300	-0.2% -39	19.4% 17,000	+7.6% +1,300
Industrial IT Services	55.2% 49,316	55.5% 50,900	+3.2% +1,584	55.9% 49,000	+3.9% +1,900
Operating income	3.8% 3,377	4.0% 3,700	+9.6% +323	4.3% 3,800	-2.6% -100
Recurring income	3.3% 2,963	3.7% 3,430	+15.8% +467	3.9% 3,400	+0.9% +30
Net income	0.6% 574	1.5% 1,400	+143.9% +826	1.4% 1,200	+16.7% +200

Nippon System Gijutsu Co. Ltd and INTEC Systems Institute, Inc. merged into INTEC on April 1, 2011..

Revisions to Actual Fiscal 2011 Results by Segment



Calculation errors in segment results for fiscal 2011 have been corrected as follows:

<Before Revisions>

ITHD, Consolidated (Millions of yen)	Fiscal 2011 First Half	Fiscal 2011 Full Year
Net sales (Outside clients)	154,009	323,173
IT Infrastructure services	54,585	109,099
Financial IT services	34,904	72,700
Industrial IT services	60,778	134,171
Other business	3,744	7,203
Net sales (Including inter-segment transactions)	154,009	323,173
IT Infrastructure services	55,528	110,923
Financial IT services	34,941	72,815
Industrial IT services	64,203	141,137
Other business	8,313	16,596
Inter-segment elimination/adjustments	(8,976)	(18,298)
Operating income	4,667	12,818
IT Infrastructure services	3,864	8,127
Financial IT services	1,082	2,969
Industrial IT services	(80)	2,432
Other business	645	1,314
Inter-segment elimination/adjustments	(844)	(2,024)
Orders received during the term	78,552	162,287
Financial IT services	31,642	65,053
Industrial IT services	46,910	97,234
Order backlog at the end of the term	51,571	47,967
Financial IT services	23,431	21,075
Industrial IT services	28,140	26,892

<After Revisions>

ITHD, Consolidated (Millions of yen)	Fiscal 2011 First Half	Fiscal 2011 Full Year
Net sales (Outside clients)	154,009	323,173
IT Infrastructure services	54,585	109,092
Financial IT services	34,821	72,550
Industrial IT services	60,860	134,328
Other business	3,743	7,202
Net sales (Including inter-segment transactions)	154,009	323,173
IT Infrastructure services	55,528	110,916
Financial IT services	34,858	72,665
Industrial IT services	64,284	141,294
Other business	8,312	16,596
Inter-segment elimination/adjustments	(8,974)	(18,298)
Operating income	4,667	12,818
IT Infrastructure services	3,863	8,132
Financial IT services	1,640	3,923
Industrial IT services	(473)	1,625
Other business	644	1,314
Inter-segment elimination/adjustments	(1,006)	(2,175)
Orders received during the term	78,553	162,287
Financial IT services	26,242	60,697
Industrial IT services	52,310	101,589
Order backlog at the end of the term	51,571	47,967
Financial IT services	19,553	18,229
Industrial IT services	32,017	29,738



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Cautionary Statements

- In these materials, ITHD is abbreviated ITHD.
- All statements described in these materials are based on information available to management regarding the ITHD Group—that is, ITHD and the subsidiaries under its umbrella—as of the presentation date and reflect somewhat objective assumptions deemed reasonable at this time. Various factors may cause future results to be substantially different from the assumptions presented in these materials.