



IT Holdings

Information Meeting Materials for the First Quarter of the Fiscal Year Ending March 31, 2013

July 31, 2012

IT Holdings Corporation

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IT Holdings Group

Fiscal 2013 First Quarter Financial Highlights

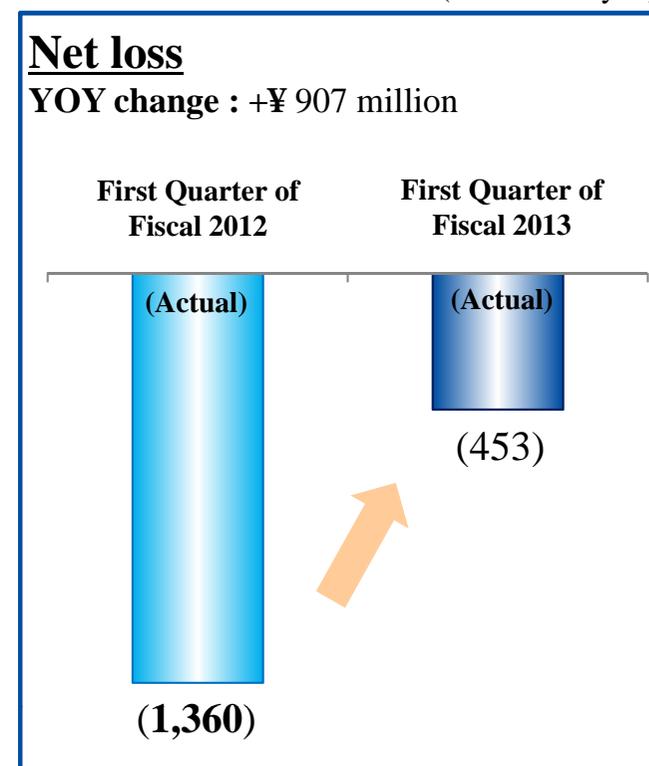
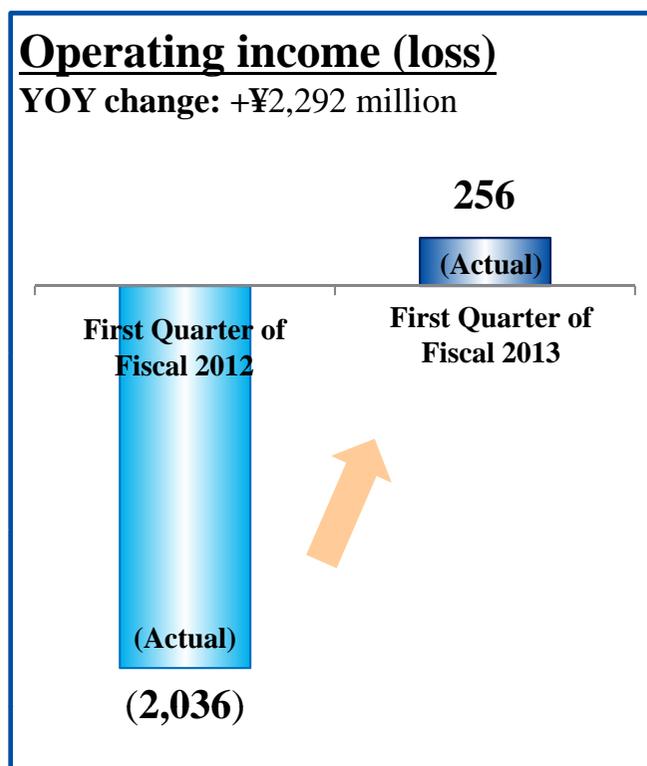
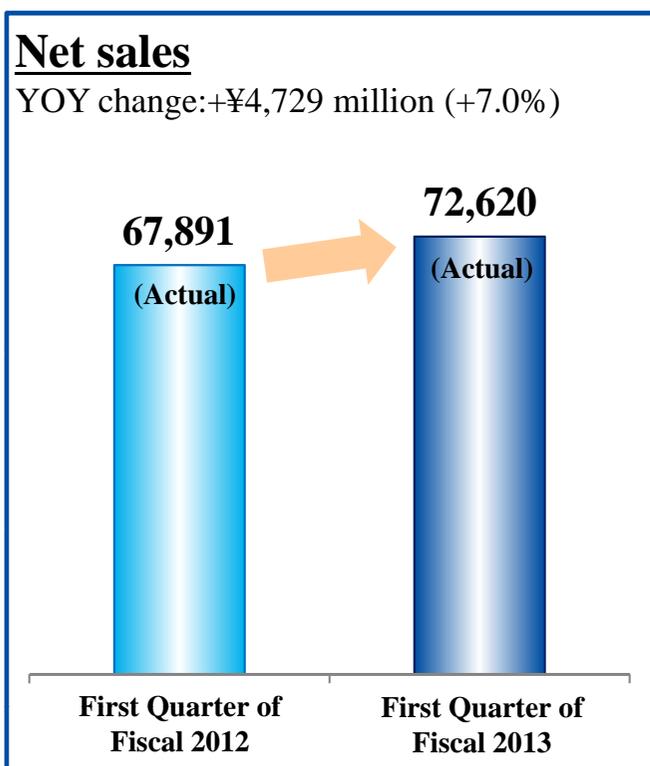
Fiscal 2013 Full-Year Performance Forecasts

Reference Materials

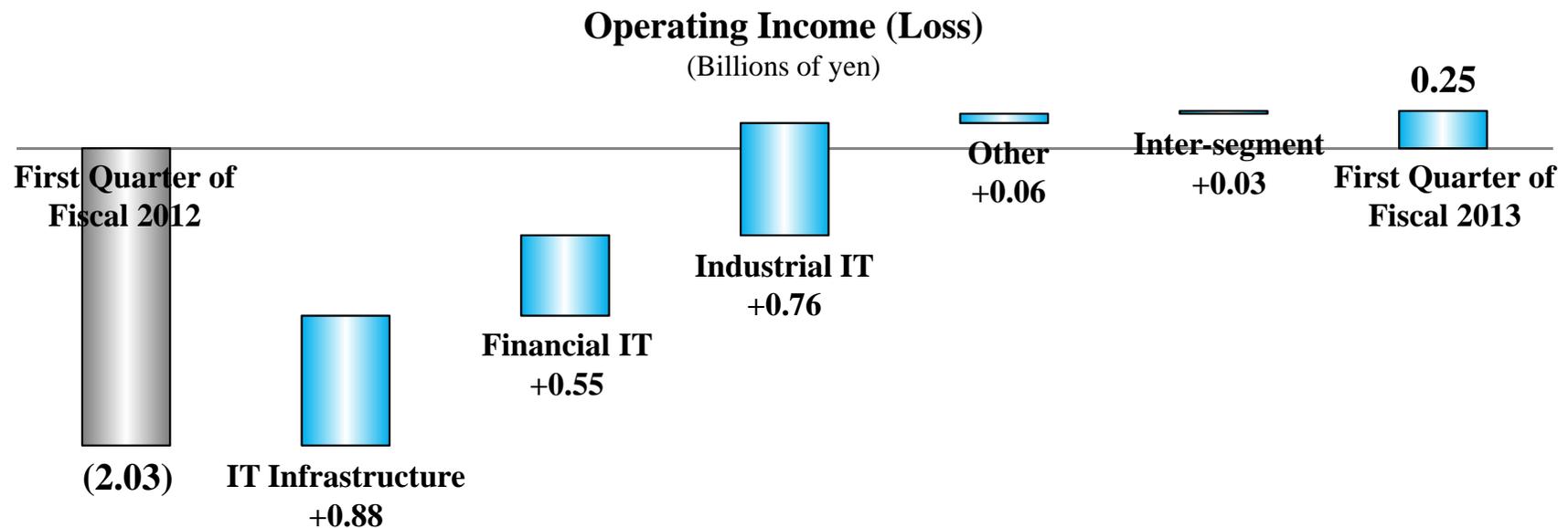
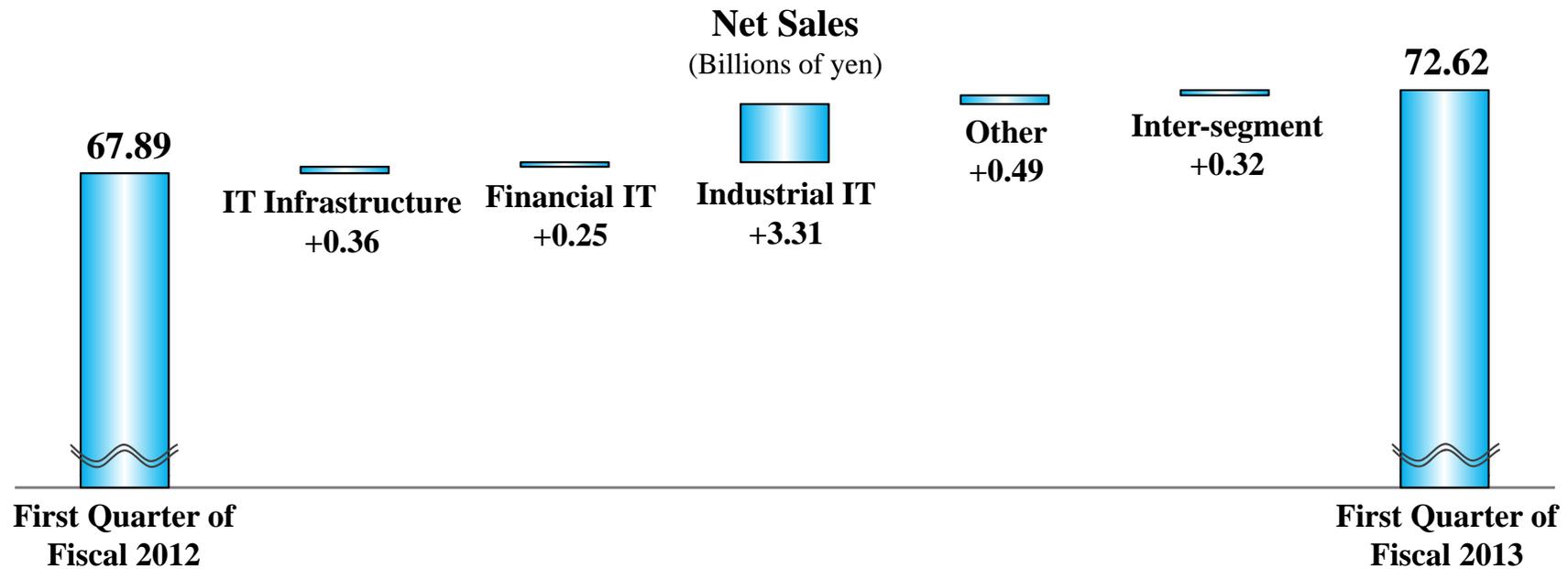
Fiscal 2013 First Quarter Financial Highlights

- Uncertainty obscured the economic path ahead for Japan, especially in the finance industry, largely due to concerns over the impact that the European debt crisis might have in the future.
- In the IT services industry, clients' IT investment trends were patchy overall but some clients showed renewed interest in investment. The ITHD Group accurately addressed the needs of these clients, leading to favorable order activity.
- The Company marked higher sales and higher income, on a consolidated basis, and welcomed a return to operating income status.
 - Net sales: Buoyed by demand for industrial IT services, up 7.0% year-on-year.
 - Operating income: Supported by higher sales starting point, huge increase, mainly thanks to successful structural reforms and efforts to curtail unprofitable projects. Returned to the black.

(Millions of yen)



Fiscal 2013 First Quarter :Net Sales and Operating Income Analysis

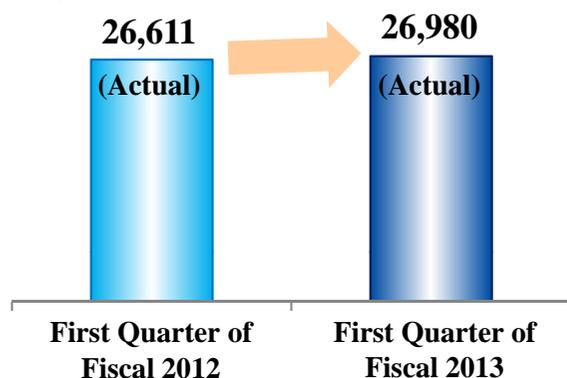


Fiscal 2013 First Quarter : Sales and Income for Key Segments

IT Infrastructure Services

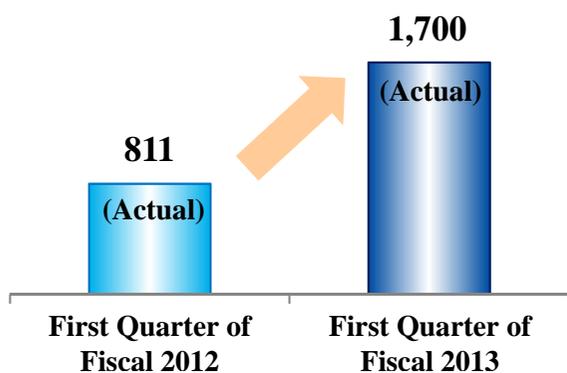
Net Sales

Up ¥368 million, or 1.4%, year-on-year
Sales buoyed by increased demand for services from next-generation data center, starting with GDC Gotenyama.



Operating Income

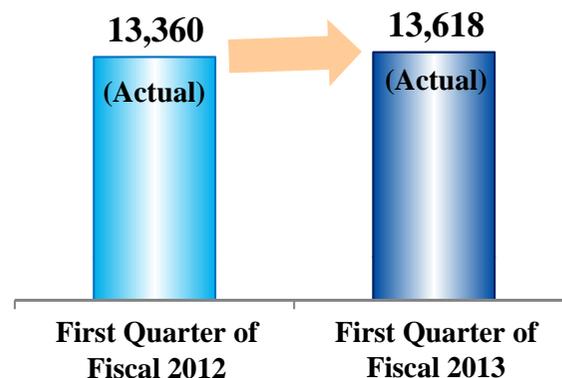
Up ¥889 million, or 109.8%, year-on-year
Significant increase, mainly due to lower costs achieved through greater operating efficiency.



Financial IT Services

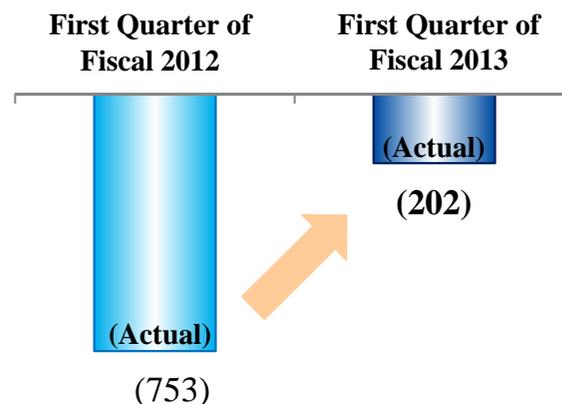
Net Sales

Up ¥258 million, or 1.9%, year-on-year
Slight increase reflects a trend among some credit card companies to resume IT investment.



Operating Loss

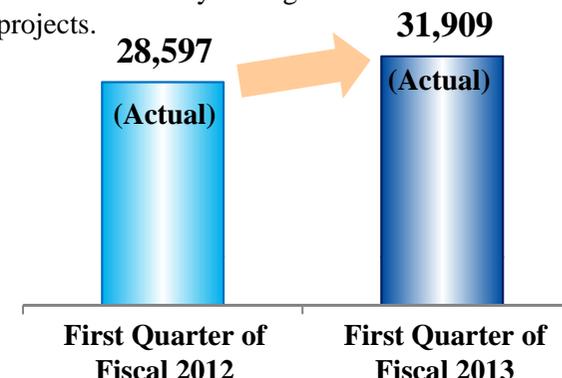
Shrank ¥551 million year-on-year
Profitability improved, largely because of successful structural reforms.



Industrial IT Services

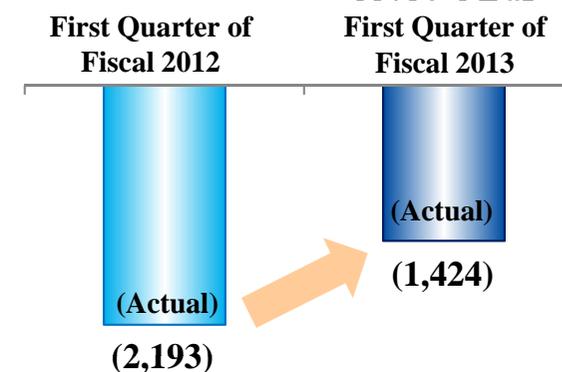
Net Sales

Up ¥3,312 million, or 11.6%, year-on-year
Solid increase, primarily due to large development projects for major clients in manufacturing and a trend toward early testing and review for some projects.



Operating Loss

Shrank ¥769 million year-on-year
Profitability improved, largely due to higher sales starting point and efforts to prevent projects from turning unprofitable.



Segment net sales include intersegment sales.

Fiscal 2013 First Quarter: Order Status

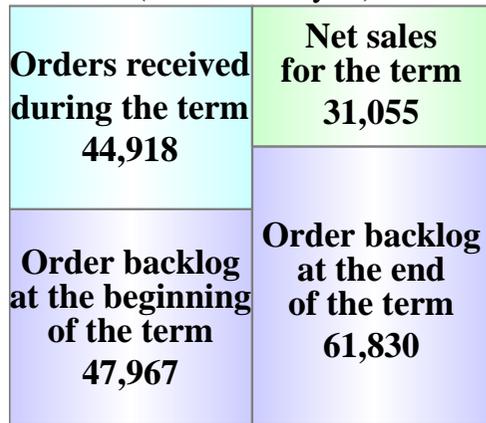


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Built up number of small and mid-sized projects for industrial-sector clients and saw downtrend in the financial sector bottom out, which combined to drive up order volume and backlog.

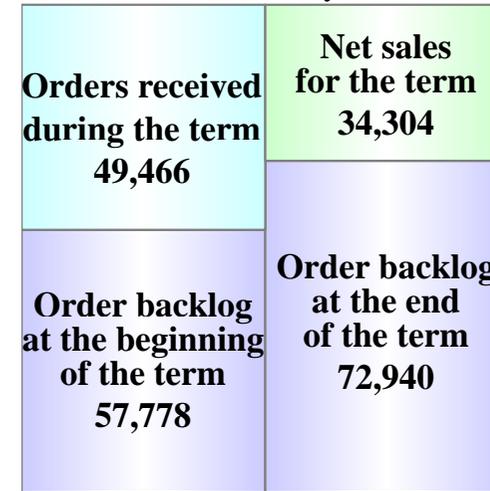
First Quarter of Fiscal 2012

(Millions of yen)



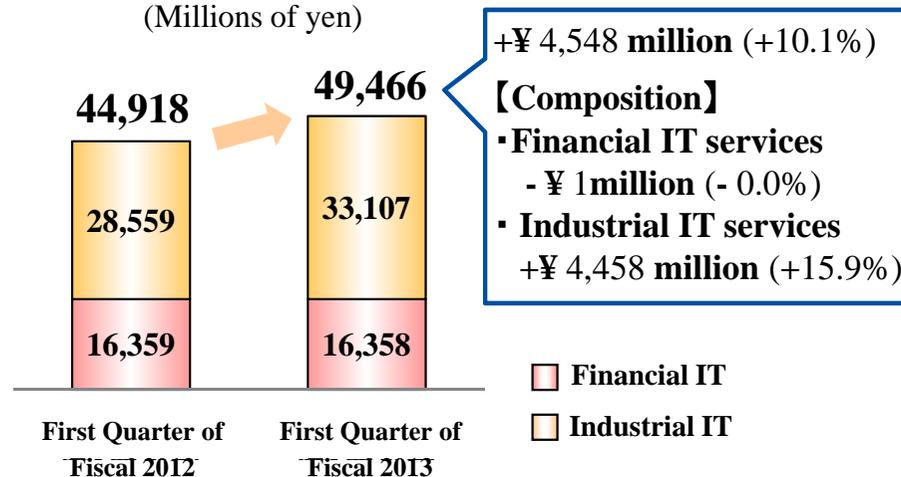
First Quarter of Fiscal 2013

(Millions of yen)



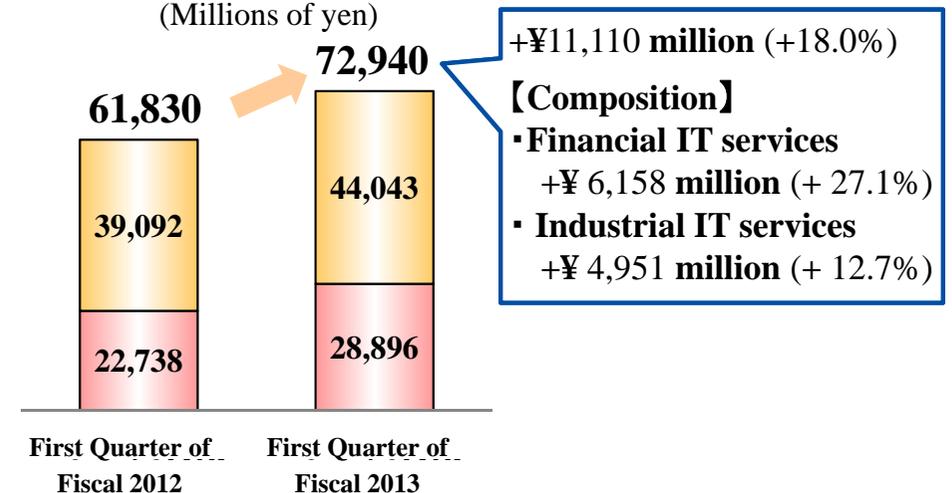
Orders received during the term

(Millions of yen)



Order backlog at the end of the term

(Millions of yen)

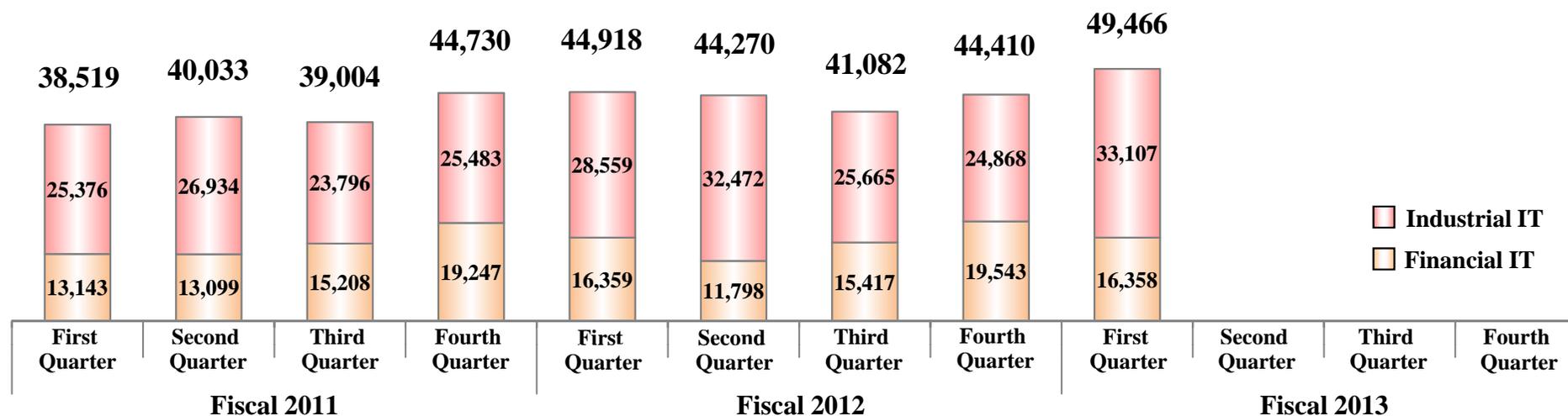


* Order volume and backlog at end of fiscal year and net sales apply to Software Development only.

Quarterly Order Status

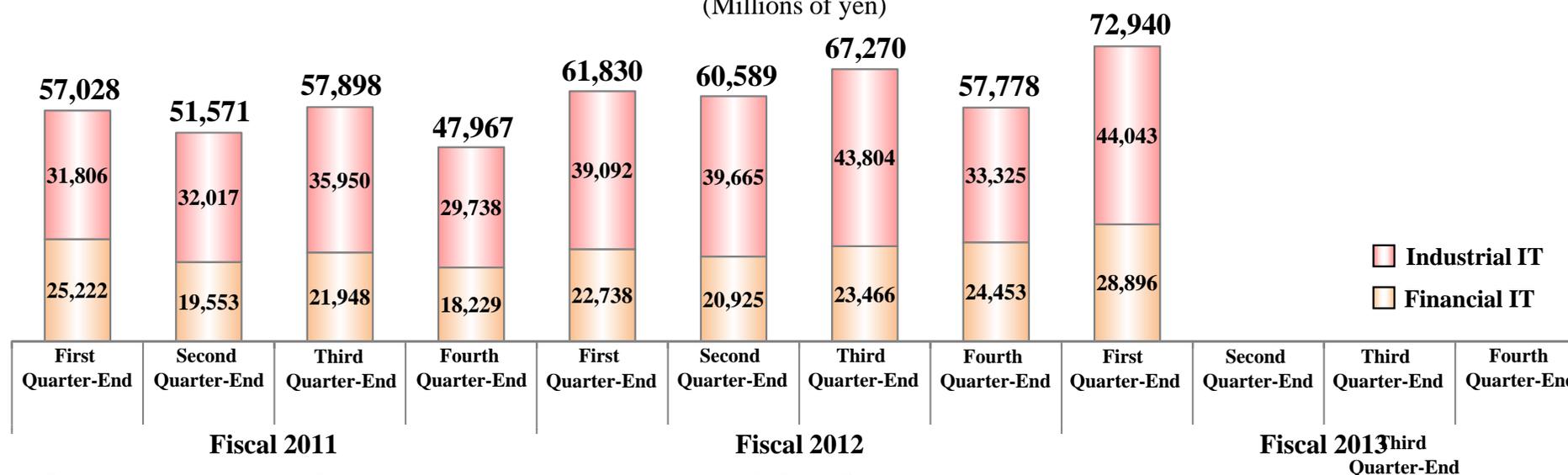
Orders received during the term

(Millions of yen)



Order backlog at the end of the term

(Millions of yen)



Quarterly order volume, end-of-quarter backlog and quarterly net sales apply to Software Development only.

Fiscal 2013 First Quarter Financial Highlights

Fiscal 2013 Full-Year Performance Forecasts

Reference Materials

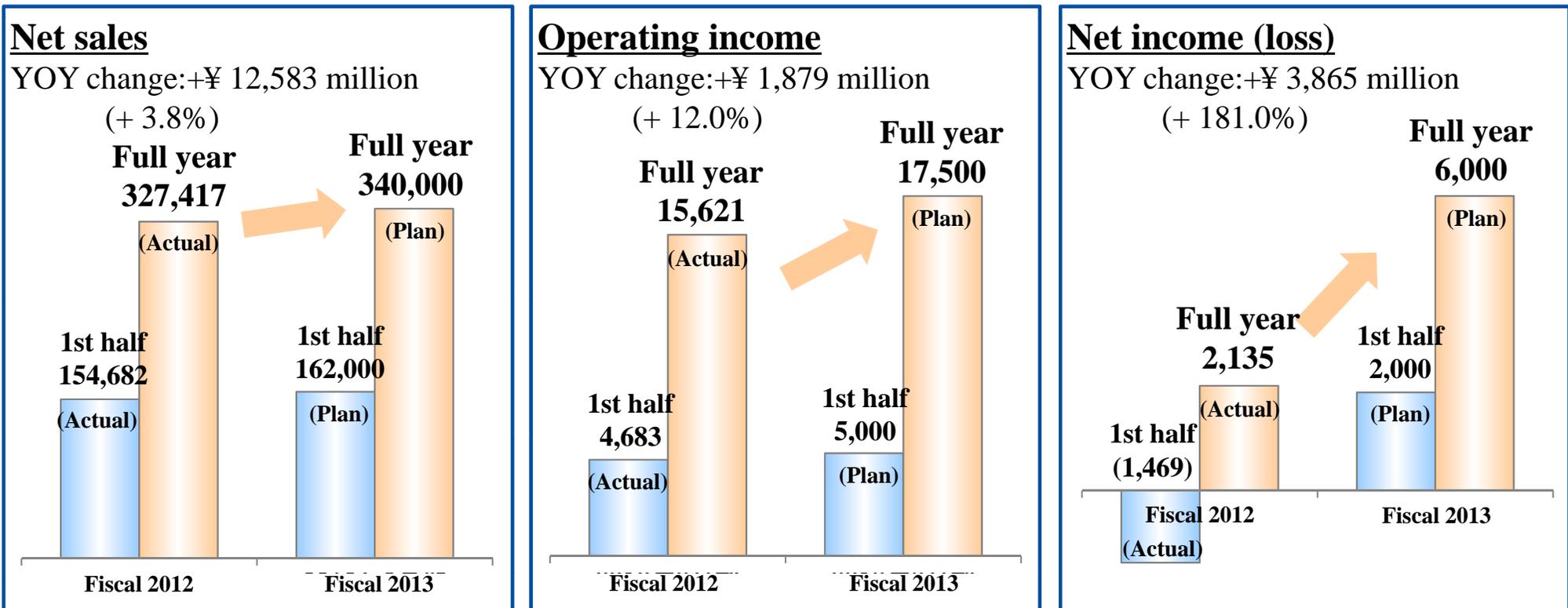
Fiscal 2013: Performance Forecasts

Currently, progress toward targets is generally on track, and there are no plans to change earlier performance forecasts.

Net Sales: We anticipate more large development projects for big clients in the manufacturing industry as well as continued demand from clients in the industrial sector. The backlog on year-end orders will provide a stable source of activity and related sales.

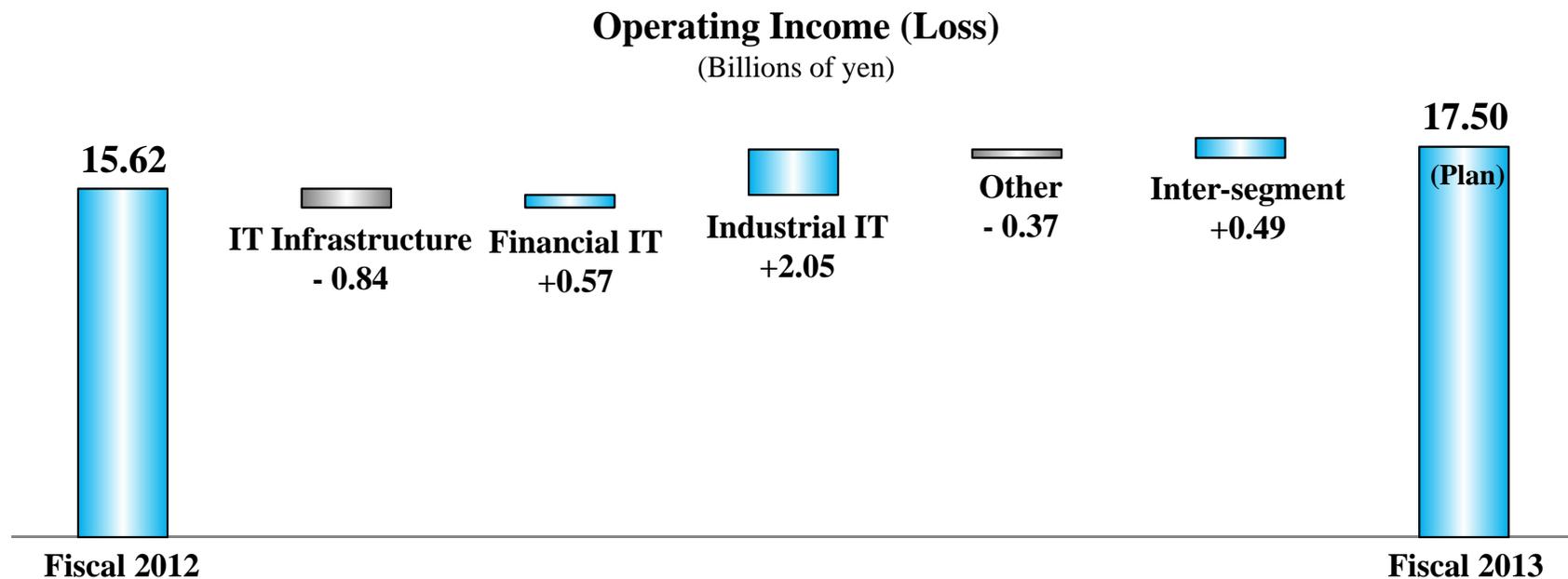
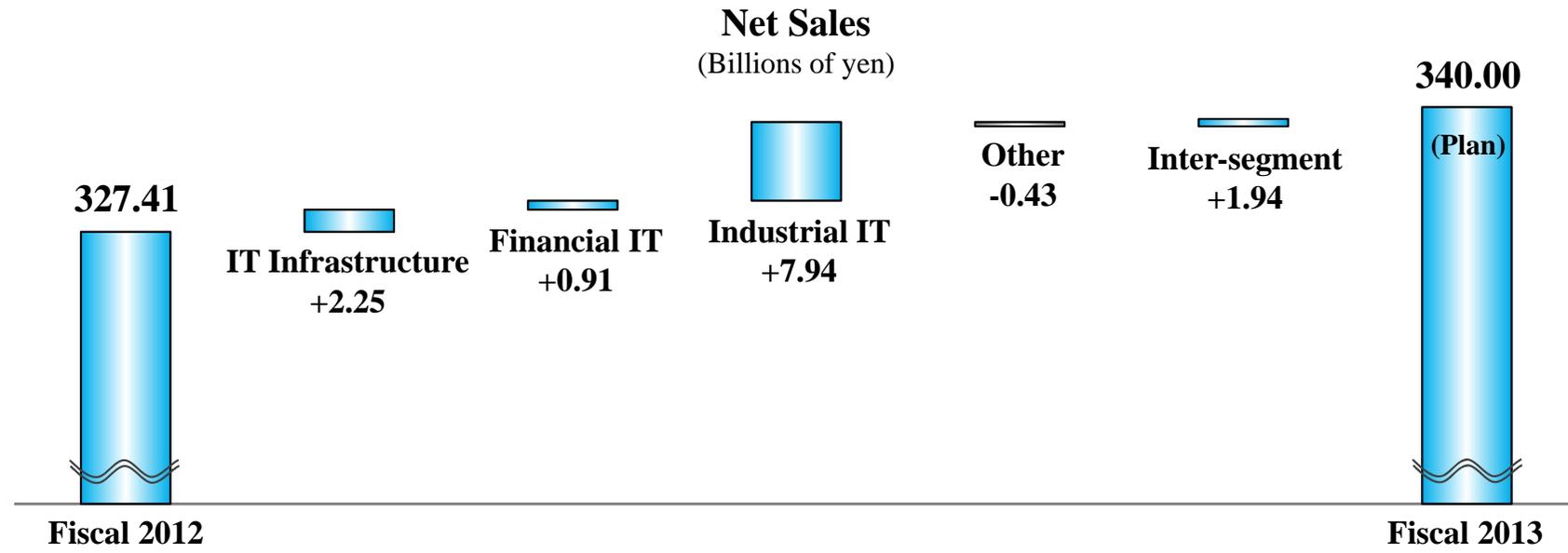
Operating Income: Despite the success of structural reforms implemented in fiscal 2012, income will probably remain flat owing to the impact of such expenses as upfront investment and higher electricity rates.

(Millions of yen)





Fiscal 2013: Anticipated Key Segment Performances

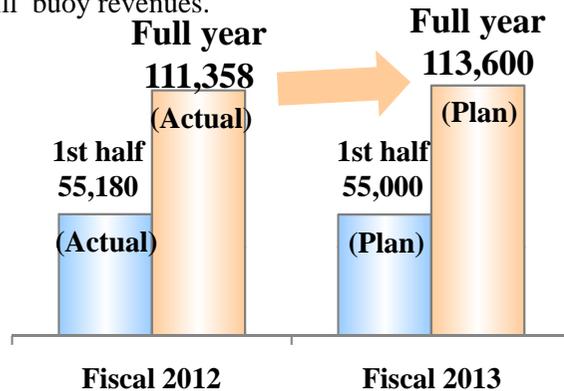


Fiscal 2013 First Quarter: Update on Key

IT Infrastructure Services

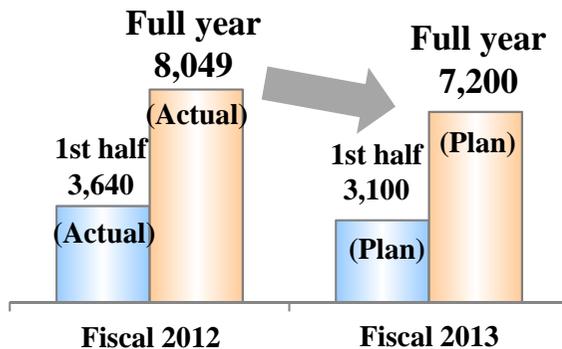
Net Sales

Up ¥2,242 million, or 2.0%, year-on-year
Heightened demand for BCP services and disaster recovery responses, in particular, should boost service-utilization rate at GDC Gotenyama, which will buoy revenues.



Operating Income

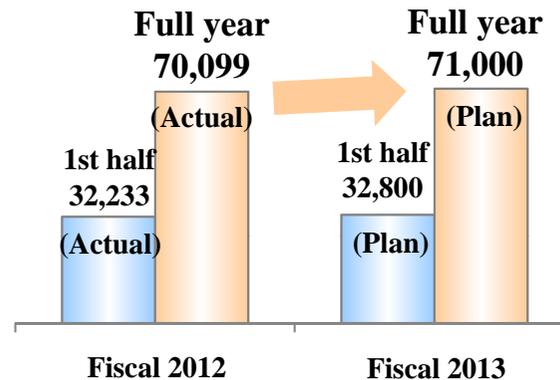
Down ¥849 million, or 10.5%, year-on-year
Operating income will benefit from improved service-utilization rate at GDC Gotenyama, but impact of higher electricity rates will probably lead to a drop in income for the year.



Financial IT Services

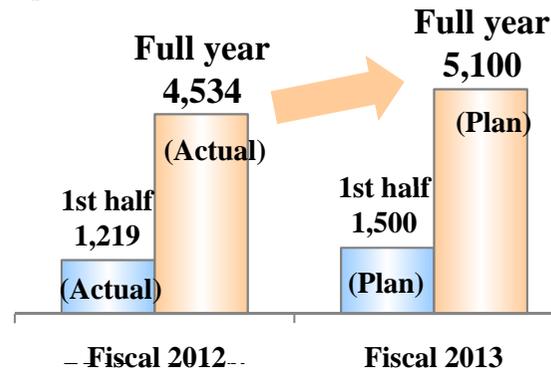
Net Sales

Up ¥901 million, or 1.3%, year-on-year
Revenues should grow, thanks to rallying demand from credit card companies.



Operating Income

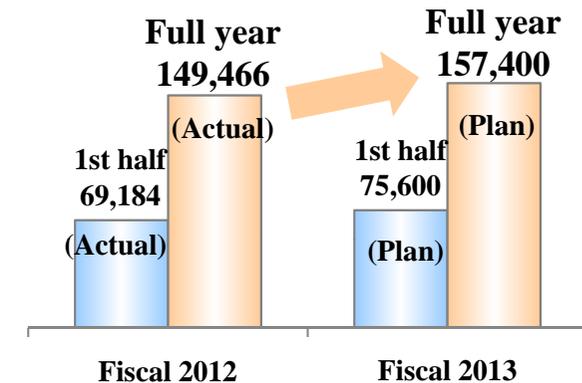
Up ¥566 million, or 12.5%, year-on-year
Operating income should rise, owing to positive impact of rallying demand from credit card companies on service-utilization rate.



Industrial IT Services

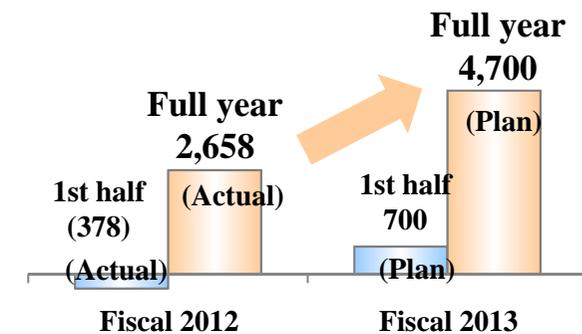
Net Sales

Up ¥7,934 million, or 5.3%, year-on-year
Revenues should increase, reflecting an increase in large projects for principal clients as well as further expansion in demand from industrial sectors.



Operating Income

Up ¥2,042 million, or 76.8%, year-on-year
Expect operating income to soar, mainly because of higher revenues.



Segment net sales include intersegment sales.

Fiscal 2013 First Quarter Financial Highlights

Fiscal 2013 Full-Year Performance Forecasts

Reference Materials

Second Medium-term Management Plan Basic Concepts	ITHD Group Management Direction for Fiscal 2013
<p>Top-Line Emphasis</p>	<p>Make this fiscal year the time for a full-fledged V-shaped recovery and strive to expand net sales.</p> <ul style="list-style-type: none"> • Promote new Group formation (lay solid financial foundation to facilitate upfront investment activity) ⇒ Decided IUK would shift from ITHD direct subsidiary to INTEC subsidiary (July 2012) • Redefine client base, reinforce approaches to growth companies/growth fields. • Revamp marketing activities.
<p>as One Company</p>	<p>Cultivate a stronger sense of unity to optimize Group capabilities.</p> <ul style="list-style-type: none"> • Streamline and integrate corporate functions. • Lay solid financial foundation to facilitate upfront investment activity. ⇒ Initiate projects to consider consolidated tax and unified cash management system (June 2012). • Reinforce product brands and corporate image. ⇒ Set up brand committee (July 2012) • Establish next-generation business management system. • Establish ITHD College. ⇒ Decision on holding groupwide training (July 2012)
<p>Enterprising and Bold</p>	<p>Execute business transformation. Take steps to turn business activities into marketable services and take those services worldwide.</p> <ul style="list-style-type: none"> • Enhance marketing capabilities to expand market-launching services. • Accelerate globalization, with focus on ASEAN region. • Establish investment committee.

➤ Established TIS Enterprise Architecture Laboratory (May 2012)

Supports creation of effective IT strategies that contribute to corporate business activities, based on proof of concept (PoC) for IT systems, including applications and hardware.

⇒ In the inaugural effort, offered test environment to support creation of effective IT strategy using Oracle's engineered systems.

■ Providing Value for Clients through EA Lab

Product Implementation Cycle	Benefits to Clients
Practice test/PoC	Allows measurement of return on investment before actually purchasing hardware and software licenses.
Review	Shorter review period, thanks to better presentation accuracy.
Implementation	Enjoy performance as expected.
Maintenance and support	Stable system operation thanks to more fine-tuned maintenance.

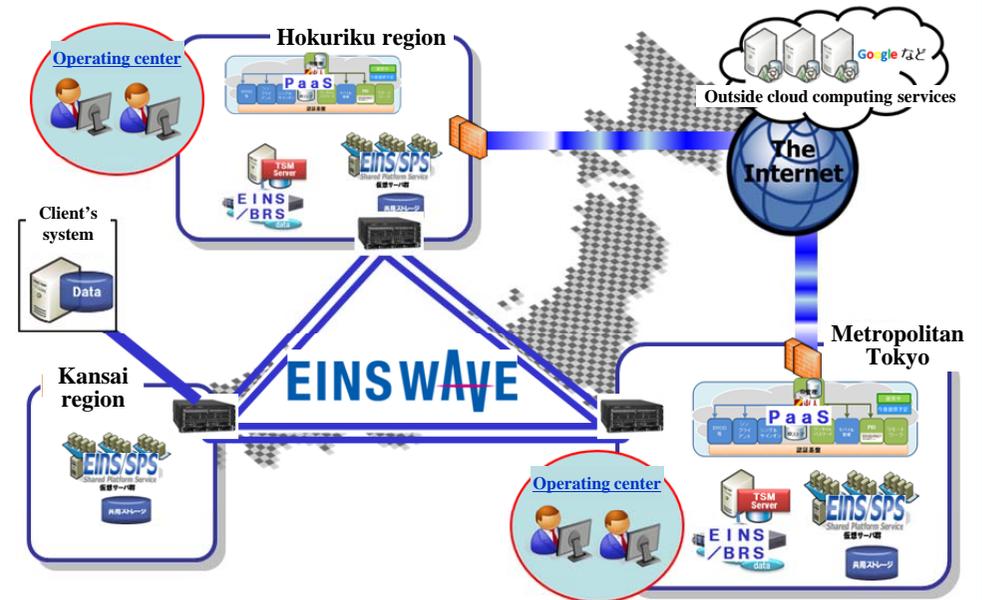


(Photo, left)
Opening ceremony

(Photo, right)
Next-generation data center GDC Gotenyama, featuring a test room

➤ Launched Japan's first extended virtual cloud service EINS WAVE (June 2012).

Connects data centers in three regions in Japan—metropolitan Tokyo, Hokuriku (economic region covering Toyama, Ishikawa, Fukui and Niigata prefectures) and Kansai (centered on Osaka)—and provides the cloud services for each data center's tenants as a single, virtual cloud with national coverage, utilizing duplicated operation and control systems. This is the first practical application of extended virtual cloud computing services to go live in Japan.



EINS WAVE: Extended Infrastructure Service Wide Area Virtual cloud Environment



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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 certain assumptions deemed reasonable at this time. No intent is implied of promise by the Company to achieve such forward-looking statements. Indeed, various factors may cause future results to be substantially different from the assumptions presented in these materials.