



Information Meeting Materials for the Fiscal Year Ended March 31, 2015

May 8, 2015

IT Holdings Corporation



Fiscal 2015 Performance Highlights

Fiscal 2016 Performance Forecast

Reference Materials

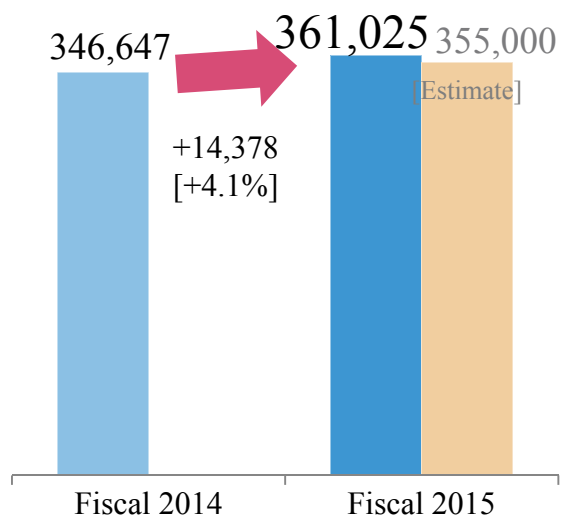
Fiscal 2015: Performance Highlights

[Millions of yen]

- Net sales grew year-on-year, against a favorable business backdrop, and greatly surpassed expectations.
- Operating income was up year-on-year but fell slightly short of expectations. Net income was higher than in fiscal 2014 and also exceeded expectations.

Net Sales ¥ 361,025 million

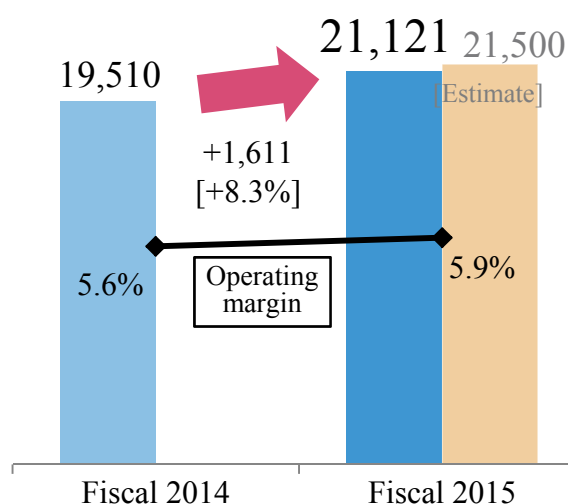
YOY change +14,378 million [+4.1%]
Compared with estimate: +¥6,025 million [+1.7%]



Net sales shifted in a favorable direction, mainly due to accurate identification of customers' IT investment needs. Year-on-year improvement, with results higher than expected.

Operating Income ¥ 21,121 million

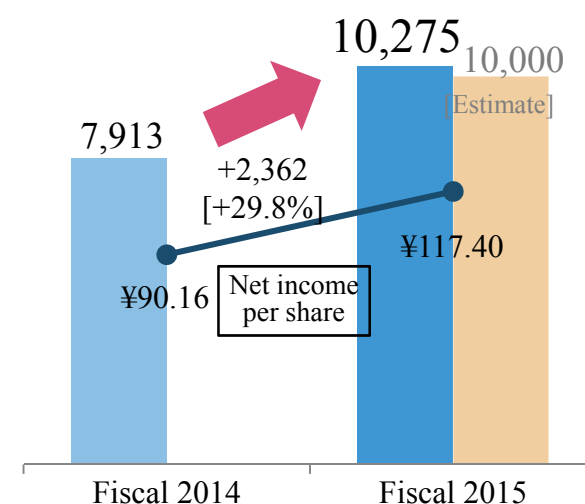
YOY change +1,611 million [+8.3%]
Compared with estimate: -¥379 million [-1.8%]



The higher net sales starting point and successful efforts to prevent unprofitable projects were key in absorbing costs associated with structural reinforcement geared toward securing and executing several large-scale development projects. This led to higher operating income over previous fiscal year. Fell slightly short of target, mainly due to increase in investment front-loading costs.

Net Income ¥ 10,275 million

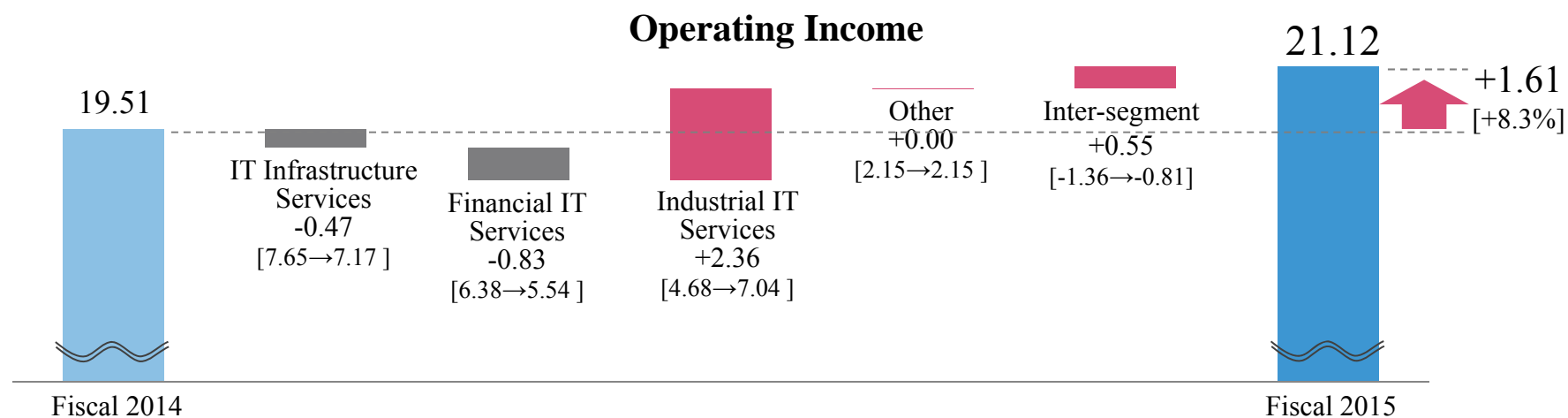
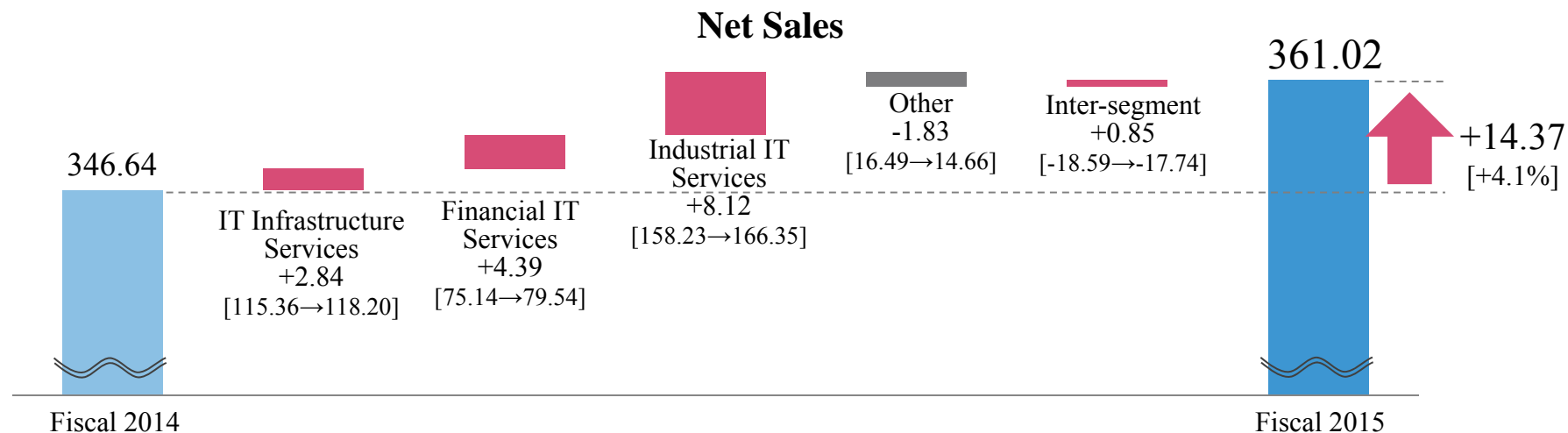
YOY change +2,362 million [+29.8%]
Compared with estimate: +¥275 million [+2.8%]



Net income soared year-on-year, paralleling increase in operating income. Moved nicely past target, primarily because of higher non-operating income.

Fiscal 2015: Net Sales and Operating Income Analysis

[Billions of yen]



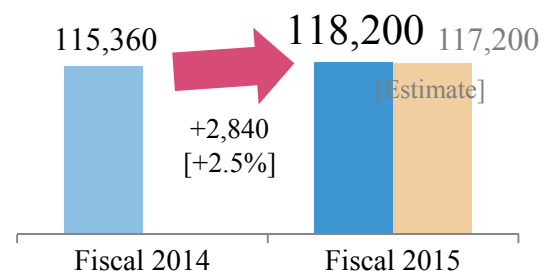
Fiscal 2015: Sales and Income for Key Business Segments

[Millions of yen]

IT Infrastructure Services

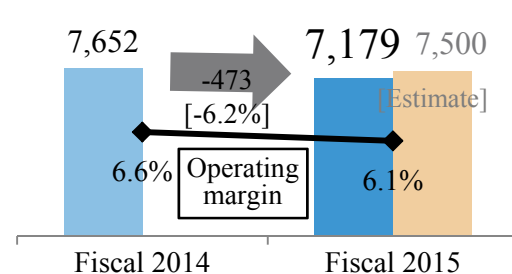
Net Sales ¥118,200million

YOY change: +¥2,840 million [+ 2.5%]
Compared with estimate: +¥1,000 million [+ 0.9%]



Operating Income ¥ 7,179million

YOY change: -¥473 million [-6.2%]
Compared with estimate: -321 million [-4.3%]

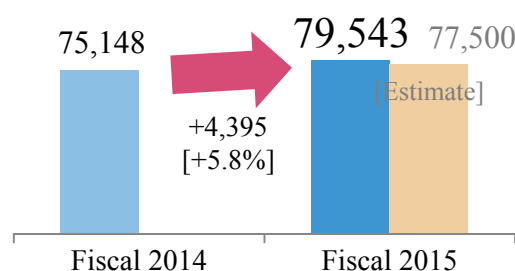


Segment sales benefited from firm demand for data center services, but the scope of demand from existing clients was smaller, prompting a year-on-year drop in operating income.

Financial IT Services

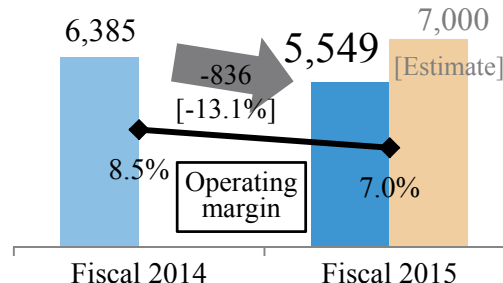
Net Sales ¥79,543million

YOY change: +¥4,395 million [+ 5.8%]
Compared with estimate: +2,043 million [+ 2.6%]



Operating Income ¥ 5,549million

YOY change: -¥ 836 million [- 13.1%]
Compared with estimate: -1,451 million [- 20.7%]

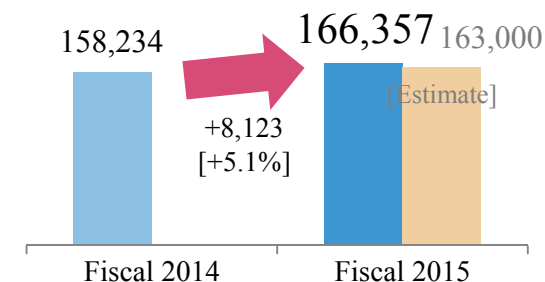


Segment sales were up, mainly due to trend toward greater IT investment by clients. But increase failed to offset expenses associated with structural reinforcements for securing and executing several large-scale development projects.

Industrial IT Services

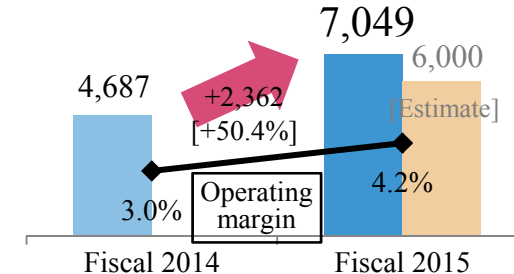
Net Sales ¥166,357million

YOY change: +¥8,123 million [+ 5.1%]
Compared with estimate: +3,357 million [+ 2.1%]



Operating Income ¥ 7,049million

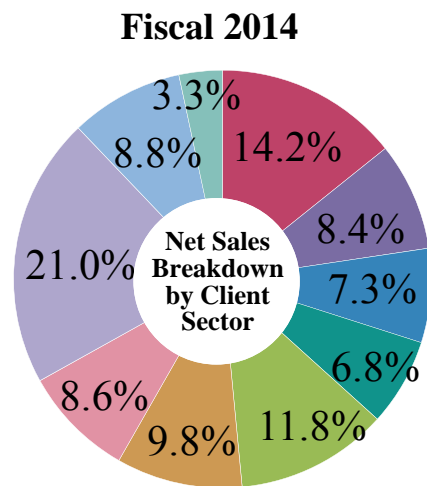
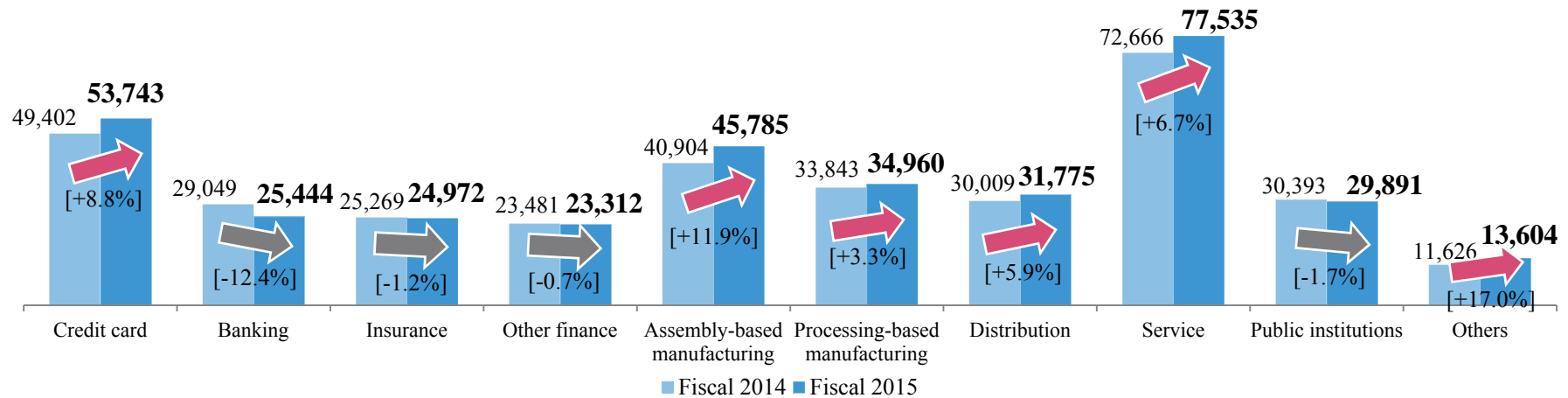
YOY change: +¥ 2,362 million [+ 50.4%]
Compared with estimate: +1,049 million [+ 17.5%]



Segment sales rose on brisk demand overall. This, and successful efforts to prevent unprofitable projects, offset higher costs associated with proposal activities, underpinning a huge increase in operating income.

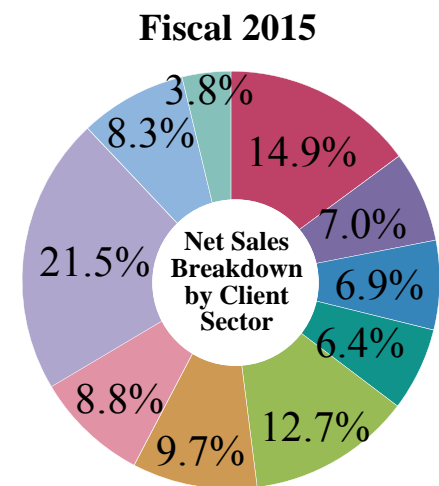
Fiscal 2015: Sales by Client Sector

[Millions of yen]



Financial sector: 36.7 % Industrial sector: 51.2 %
 Public sector: 8.8 % Other sectors: 3.3 %

- Credit card
- Banking
- Insurance
- Other finance
- Assembly-based manufacturing
- Processing-based manufacturing
- Distribution
- Service
- Public institutions



Financial sector: 35.2 % Industrial sector: 52.7 %
 Public sector: 8.3 % Other sectors: 3.8 %

Fiscal 2015: Order Status

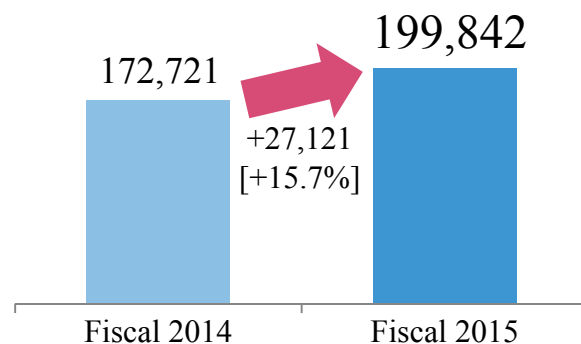
[Millions of yen]

- Order volume was steady overall. The booking of large projects for clients in the public sector underpinned a significant year-on-year increase.
- Order backlog was significantly higher, owing to the high level of orders.

Orders received during fiscal year

¥ 199,842 million

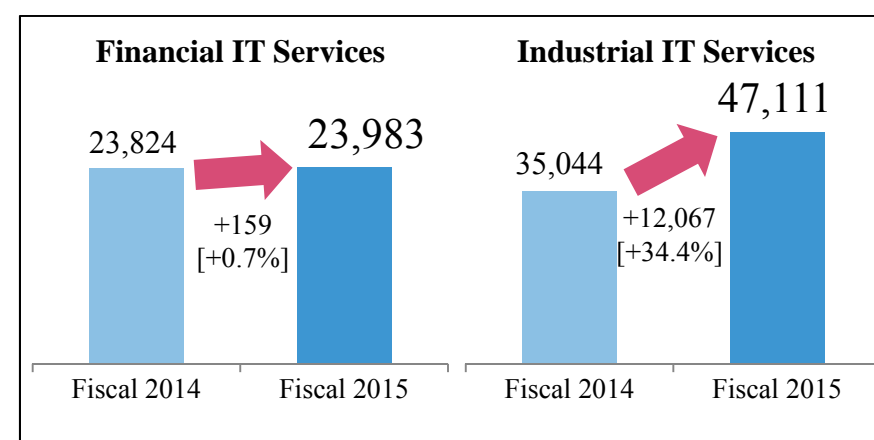
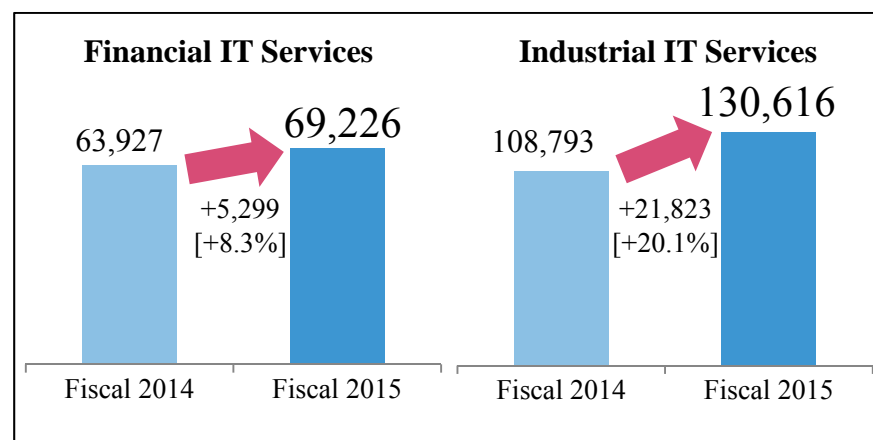
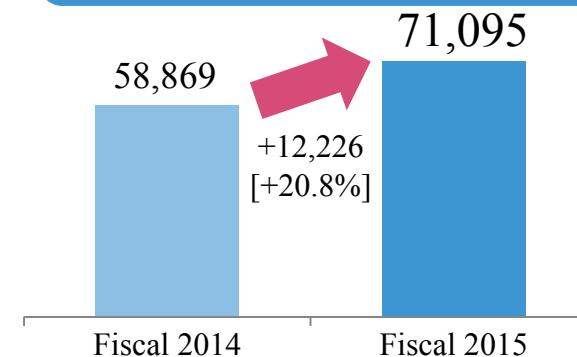
YOY change: +¥27,121 million [+15.7%]



Order backlog at year-end

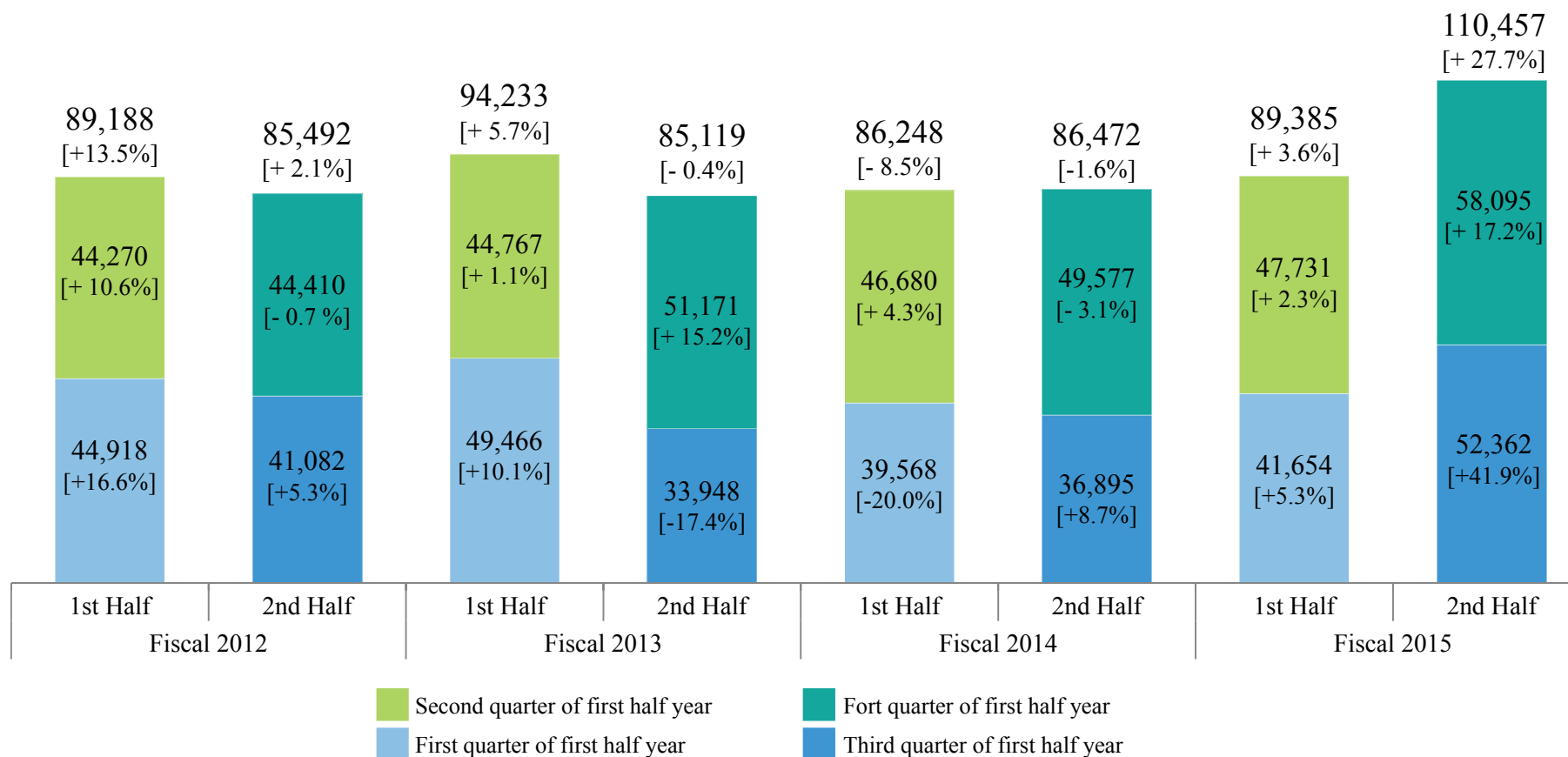
¥ 71,095 million

YOY change: +¥12,226 million [+20.8%]



Changes in Orders Received

[Millions of yen]

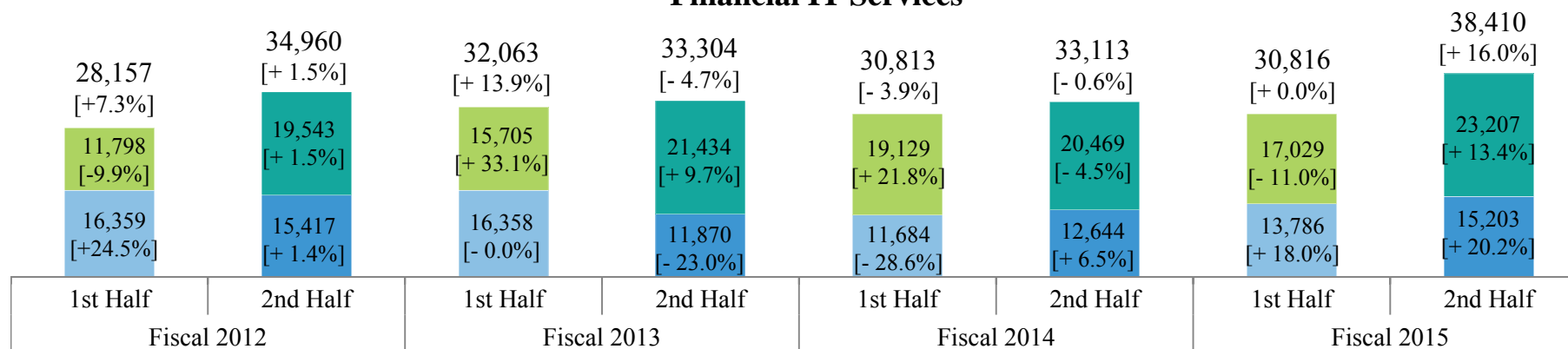


*Orders received during the fiscal year apply to Software Development only.
Percentage figures in columns indicate increase or decrease from the previous fiscal year.

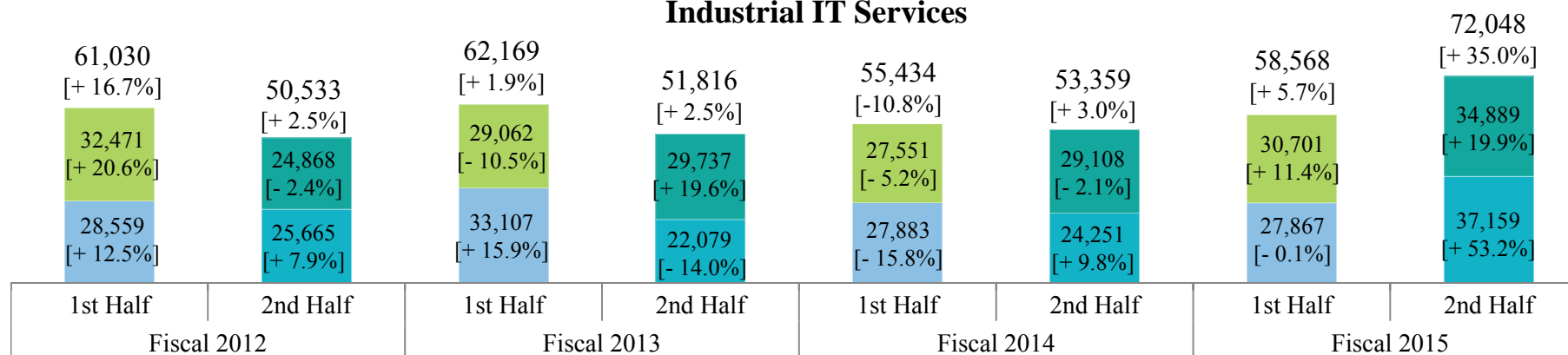
Changes in Orders Received

[Millions of yen]

Financial IT Services



Industrial IT Services



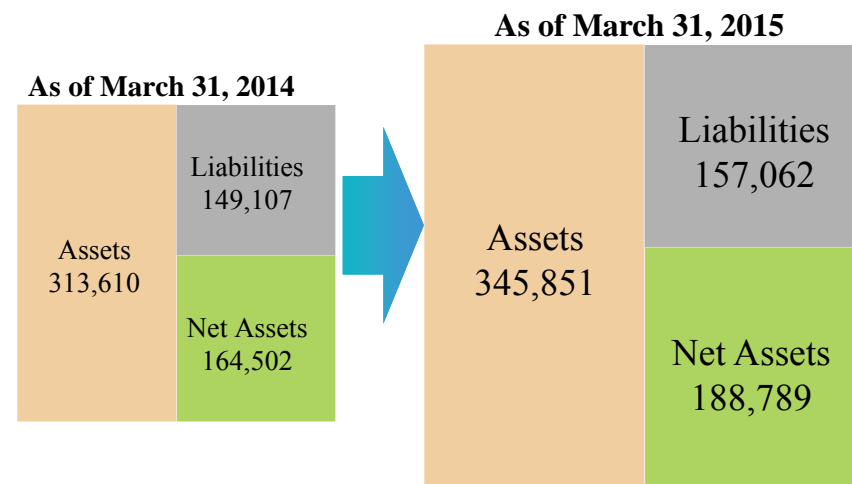
■ Second quarter of first half year
■ Fort quarter of first half year
■ First quarter of first half year
■ Third quarter of first half year

*Orders received during the fiscal year apply to Software Development only. Percentage figures in columns indicate increase or decrease from the previous fiscal year.

Fiscal 2015: Balance Sheets and Cash Flows

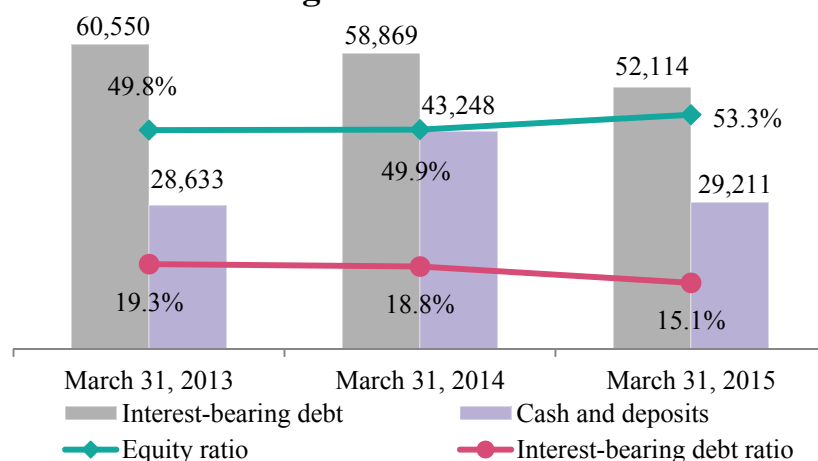
[Millions of yen]

➤ Balance Sheets

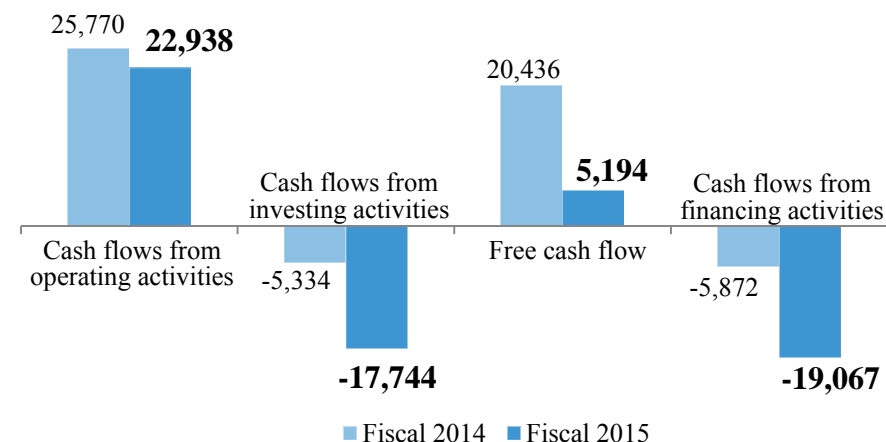


- **Assets: +¥ 32,241 million**
 - Current assets: -¥3,069 million
[Includes cash and deposits (-¥ 14,037 million) and notes and accounts receivable (+¥ 10,573 million)]
 - Fixed assets: +¥ 35,310 million
[Includes investments in securities (+¥ 32,469 million)]
- **Liabilities: +¥ 7,955 million**
 - Current liabilities: +¥4,876 million
[Includes notes and accounts payable (+¥2,853 million)]
 - Fixed liabilities: +¥3,079 million
[Includes deferred tax liabilities (+¥10,250 million) and long-term loans (-¥4,977 million)]
- **Net Assets: +¥ 24,287 million**
 - Shareholders' equity: +¥5,747 million
 - Other total comprehensive income (+¥22,200 million)
- **Equity Ratio: 53.3% [+3.4%]**
- **Interest-bearing Debt: ¥ 52,114 million [-¥ 6,755 million]**

➤ Interest-bearing Debt



➤ Cash Flows



Fiscal 2015 Performance Highlights

Fiscal 2016 Performance Forecast

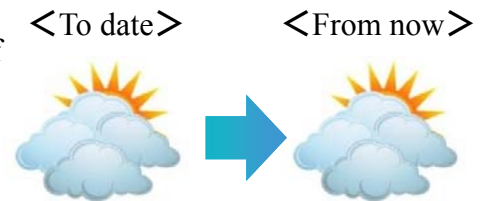
Reference Materials

Understanding the External Environment

- Operating environment should remain favorable, buoyed mainly by expanding IT investment needs among clients, paralleling business recovery.
- Ongoing issues include approaches to secure human resources and make project management more efficient.

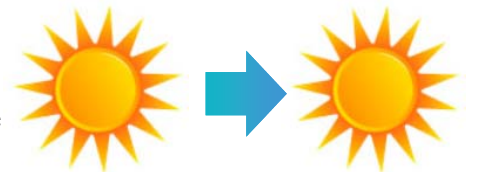
<IT Infrastructure Services>

- Inquiries regarding use of data center services will continue, spurred by greater awareness of the importance of business continuity planning (BCP) and disaster recovery (DR). Use of cloud services should also expand. Issue is to maintain profitability amid fierce competition.
- Outsourced business processing that contributes to improved corporate management is in greater demand, boosting interest in BPO. Plus, start of My Number social security and tax identification system should boost demand.



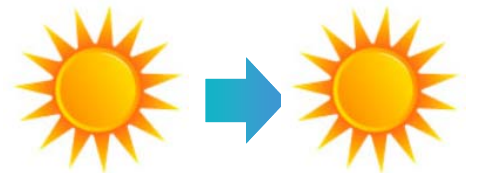
<Financial IT Services>

- IT investment among credit card companies continues to increase, buoyed mainly by rising demand for upgrades to platform systems.
- Among banks, investment will continue to be directed into system integration and overhauls by the majors for improving global responses and enhancing front-office capabilities. But the reins on IT investment for back-office operations will remain tight.



<Industrial IT Services>

- In manufacturing, service and distribution sectors, companies are keen to invest in front-office IT to sharpen competitive edge, especially in marketing activities.
- In public sector, My Number system should prompt greater investment in necessary IT structure.
- In utility-related fields, IT investment has been invigorated by companies entering from other sectors following changes in the power system structure.



Fiscal 2016: Group Management Direction

Third Medium-term Management Plan Basic concepts

Fiscal 2016 Group Management Direction

Profit Emphasis

1. Emphasize ROE as a key performance indicator and strive to boost corporate value
2. Improve profitability from business activities by raising productivity
3. Shift to management emphasizing return on invested capital

IT Brain

1. Sharpen forte strengths and prime the growth engine
2. Promote proposal-type business (value-added business)
3. Promote industry platform business (market-cultivating business)

Portfolio Management

1. Take first step toward business portfolio management
2. Promote reforms in corporate governance
3. Promote integration and centralization of shared Group functions

Fiscal 2016: Performance Forecasts

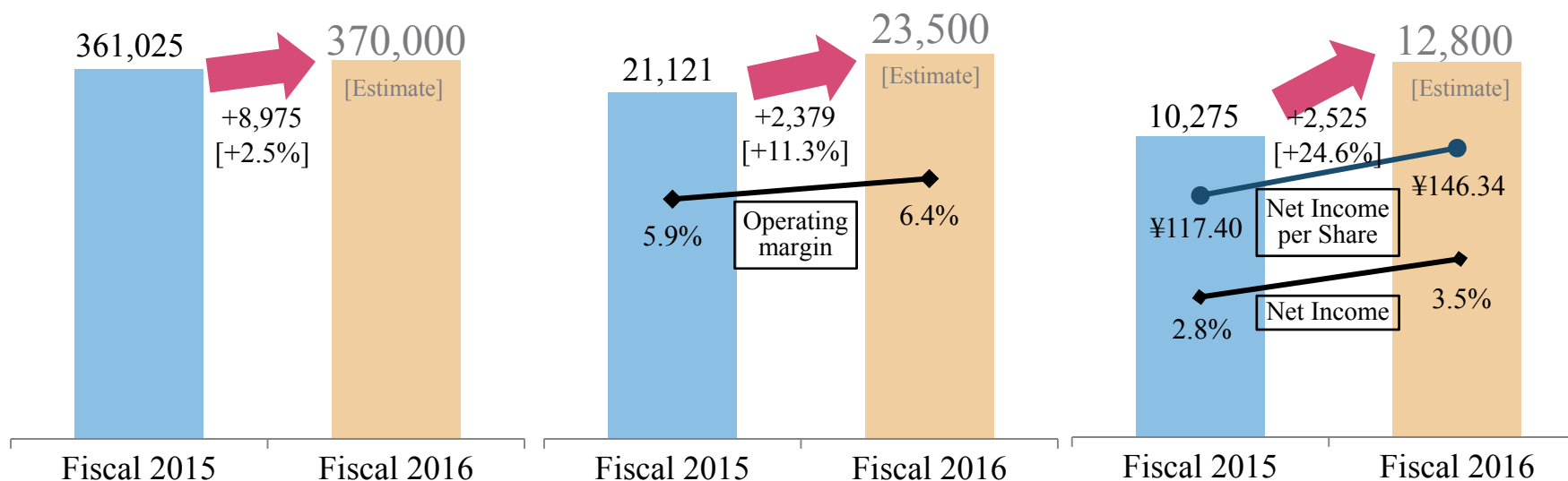
[Millions of yen]

- Anticipating favorable business environment to continue, fueling higher sales and profits
- Will expand business while improving productivity and promoting efforts to prevent projects from turning unprofitable.

Net Sales ¥370,000 million
YOY change: +¥8,975 million [+ 2.5%]

Operating Income ¥ 23,500million
YOY change: +¥2,379 million [+ 11.3%]

Net Income ¥ 12,800 million
YOY change: +¥2,525 million [+ 24.6%]



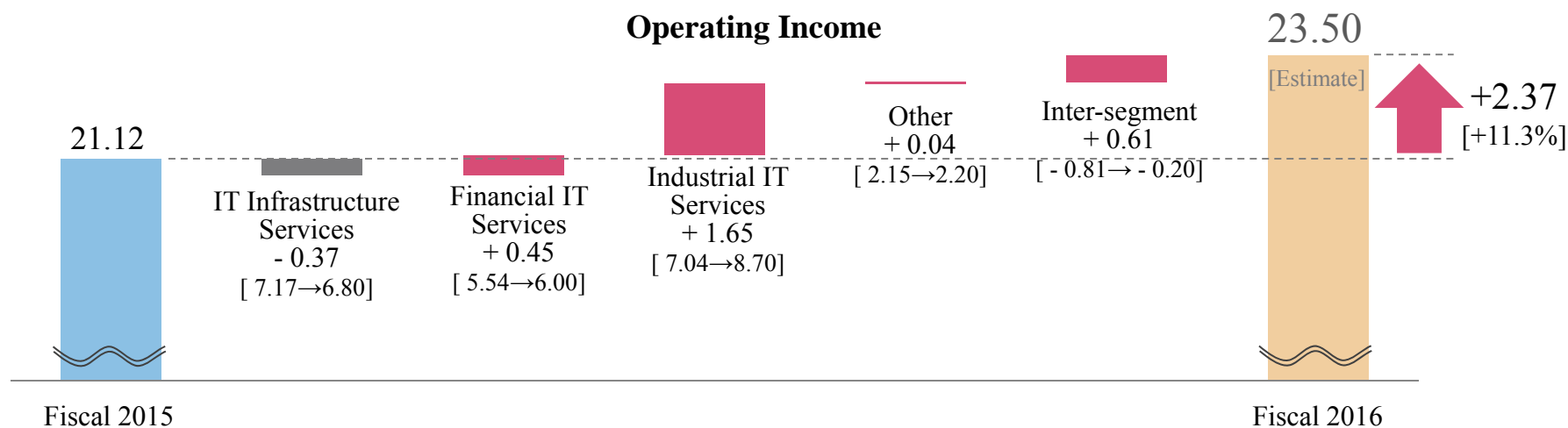
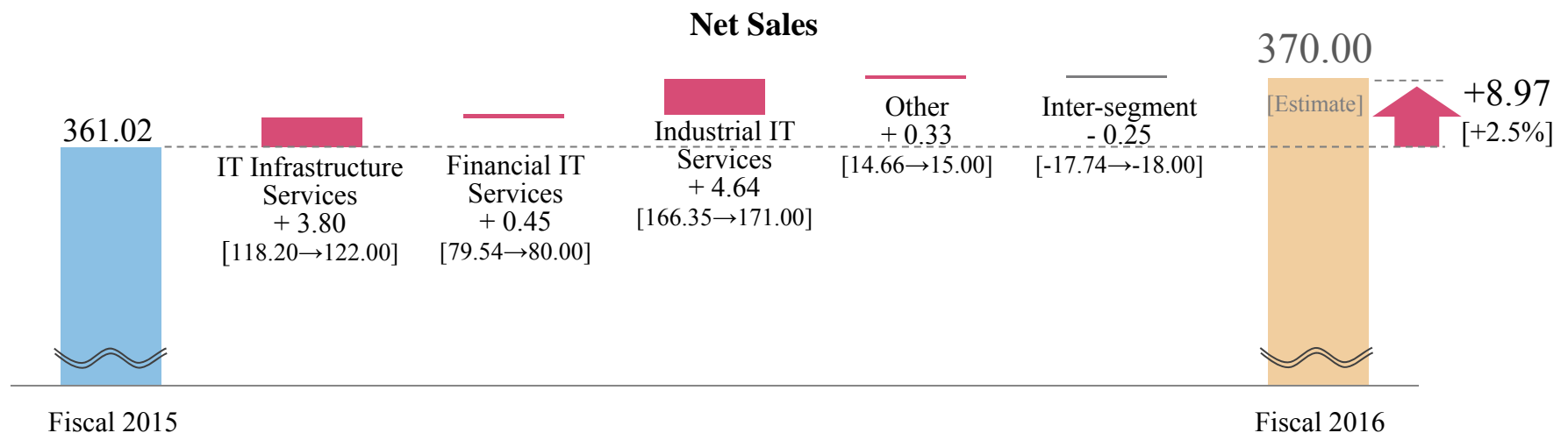
Emphasizing financial IT services and industrial IT services, we will expand our business reach by accurately responding to our customers' IT investment needs. This should pave the way to higher net sales.

Anticipating higher income, primarily because of the higher net sales starting point, enhanced productivity, successful efforts to prevent the occurrence of unprofitable projects, and lower goodwill amortization expenses.

Higher operating income, lower extraordinary expenses and a decrease in minority interests should lead to a year-on-year increase in net income.

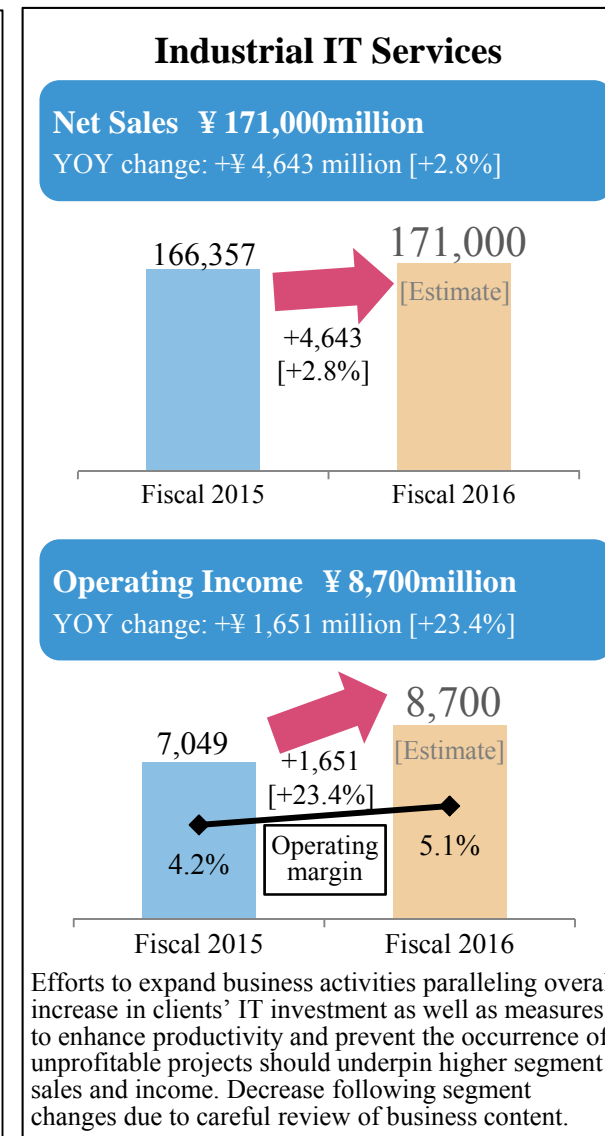
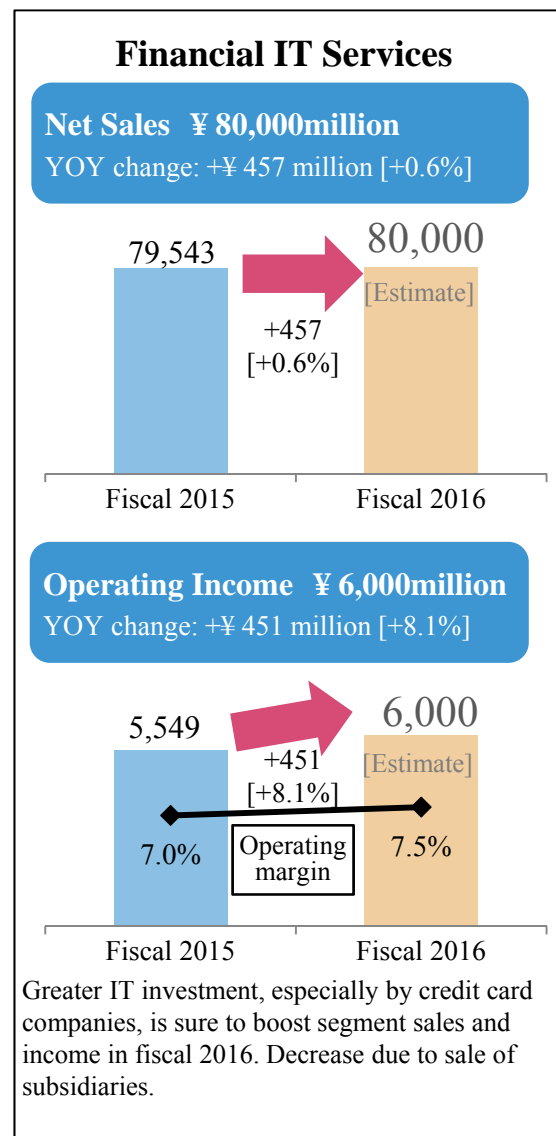
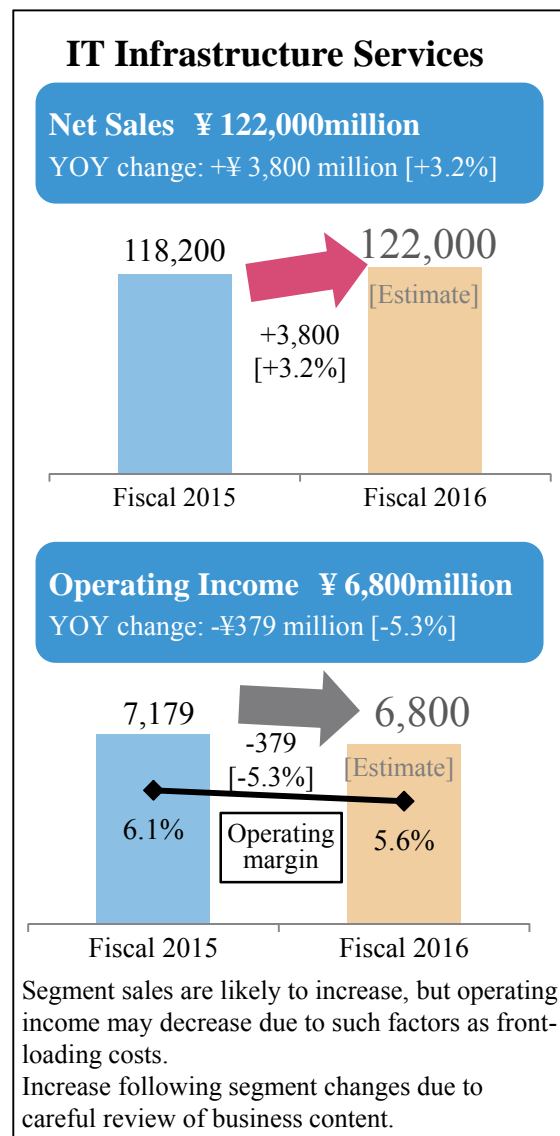
Fiscal 2016: Net Sales and Operating Income Analysis [Forecast]

[Billions of yen]



Fiscal 2016: Key Business Segment Performances [Forecast]

[Millions of yen]



Fiscal 2016: Dividend Forecast

Change in policy on return to shareholders.

Will adopt total shareholder return measure (total return ratio) to promote shareholder returns through dividends and an appropriate capital structure through treasury stock buyback.

<Up to now>

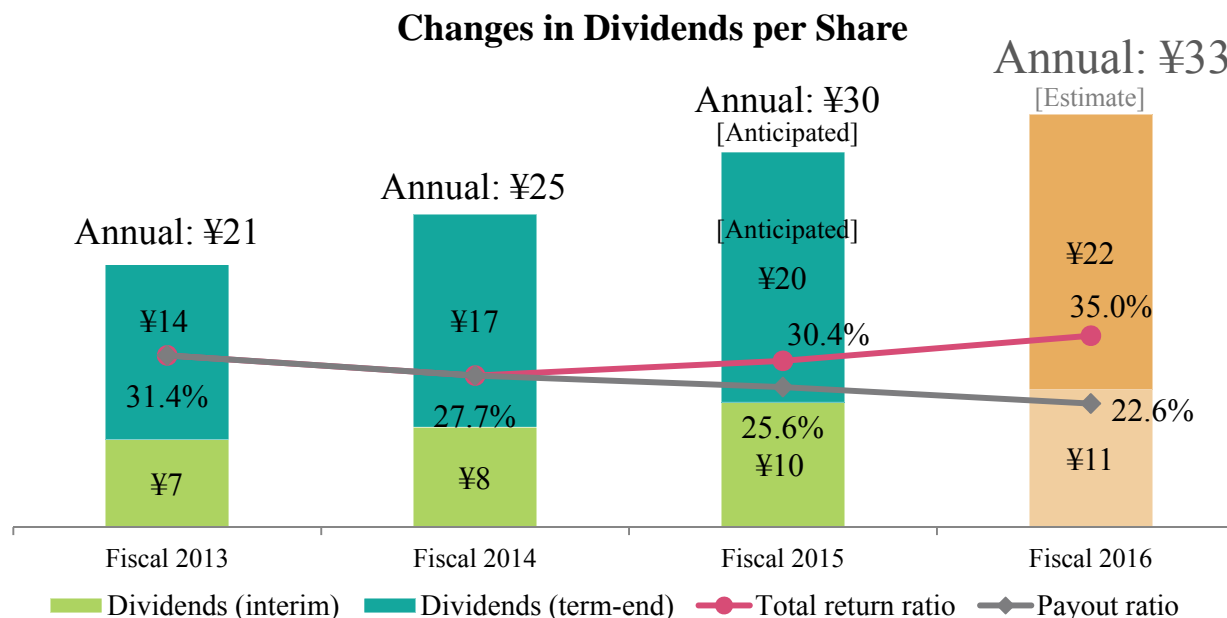
- Stable, continuous dividends
- Target 30% payout ratio



<From now>

- Target 35% total return ratio
(Stable, continuous dividends + share buybacks)

Annual dividend per share (planned): ¥ 33 (up ¥3 from fiscal 2015)



*Total return ratio:
Total amount of dividends and treasury stock buybacks as a percentage of net income.

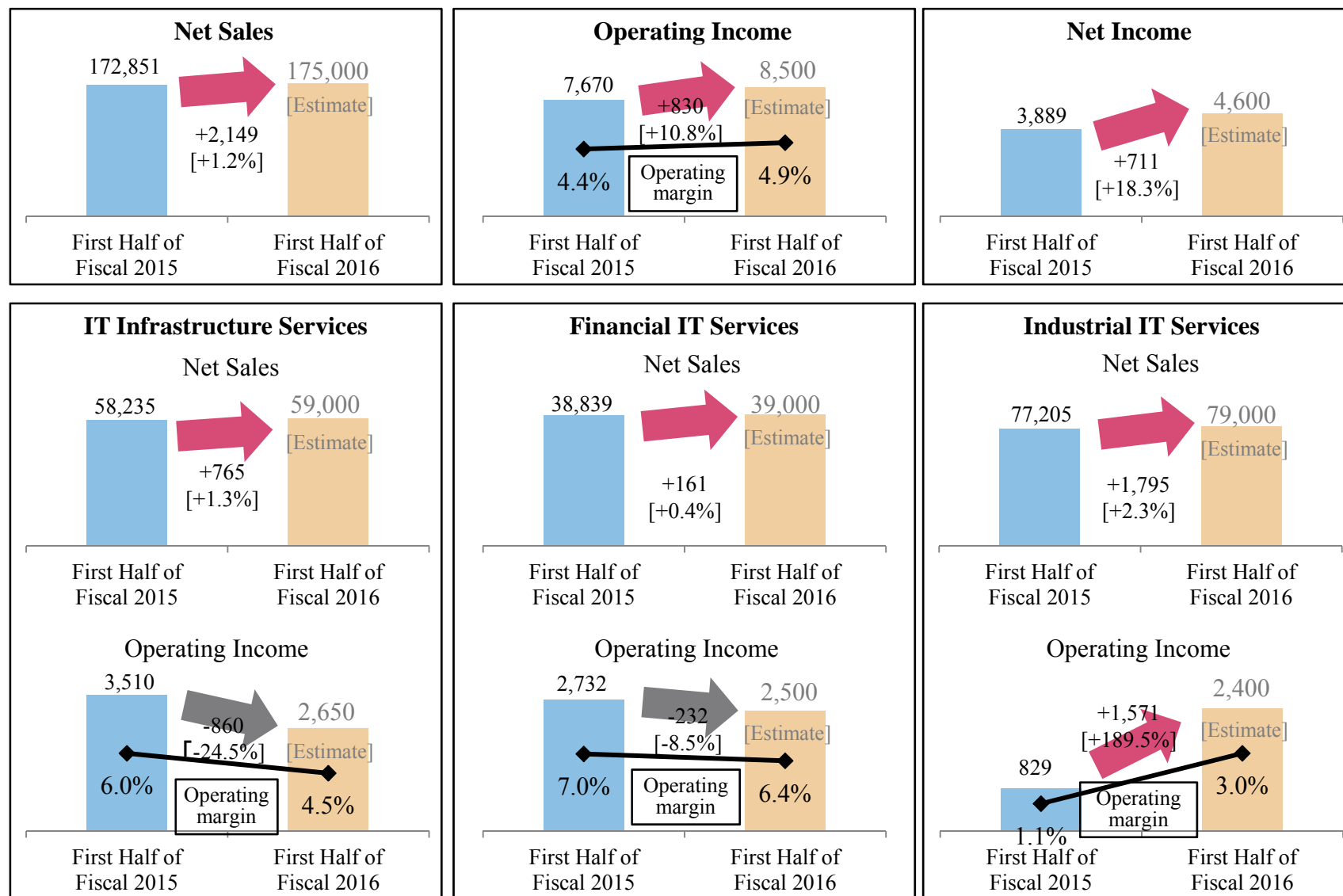
Fiscal 2015 Performance Highlights

Fiscal 2016 Performance Forecast

Reference Materials

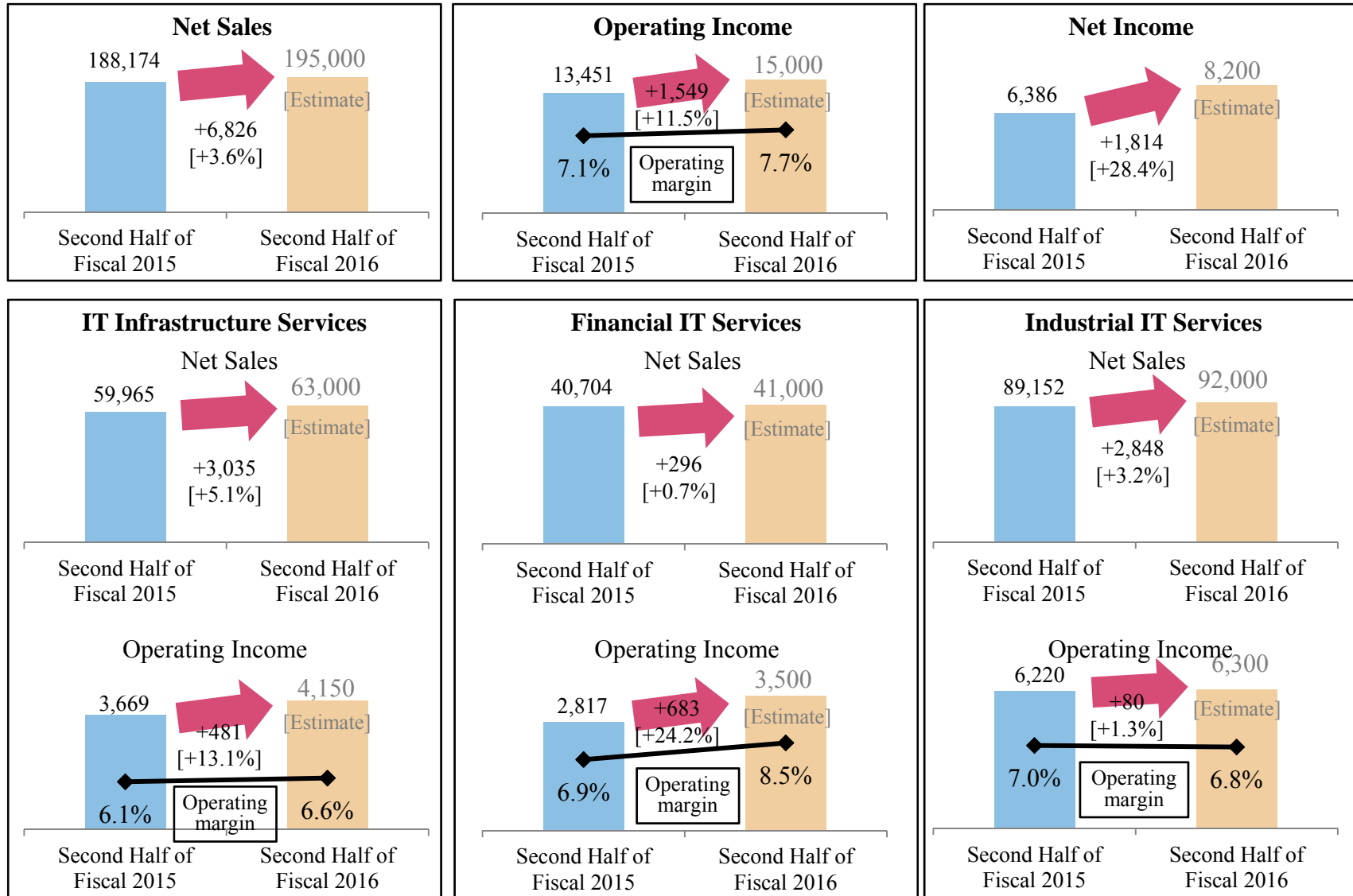
Fiscal 2016 First Half: Sales and Income for Key Business Segments [Forecast]

[Millions of yen]



Fiscal 2016 Second Half: Sales and Income for Key Business Segments [Forecast]

[Millions of yen]



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IT HOLDINGS

Go Beyond

Cautionary Statements

- In these materials, IT Holdings 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.
- Amounts for each three-month quarter are calculated by subtracting data for the respective period from the cumulative total.