



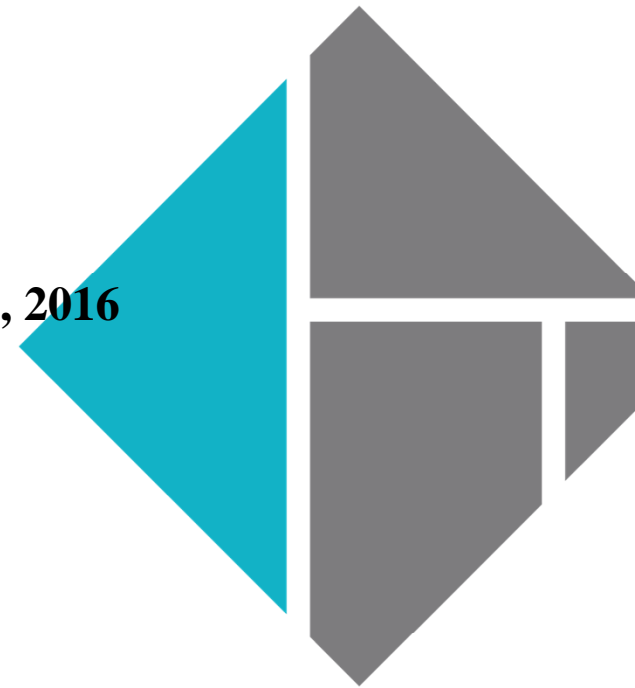
IT HOLDINGS

Go Beyond

**Information Meeting Materials
for the First Quarter of the Fiscal Year Ending March 31, 2016**

July 30, 2015

IT Holdings Corporation



Fiscal 2016 First Quarter: Financial Highlights

Fiscal 2016 Performance Forecast

Reference Materials

Fiscal 2016 First Quarter: Financial Highlights

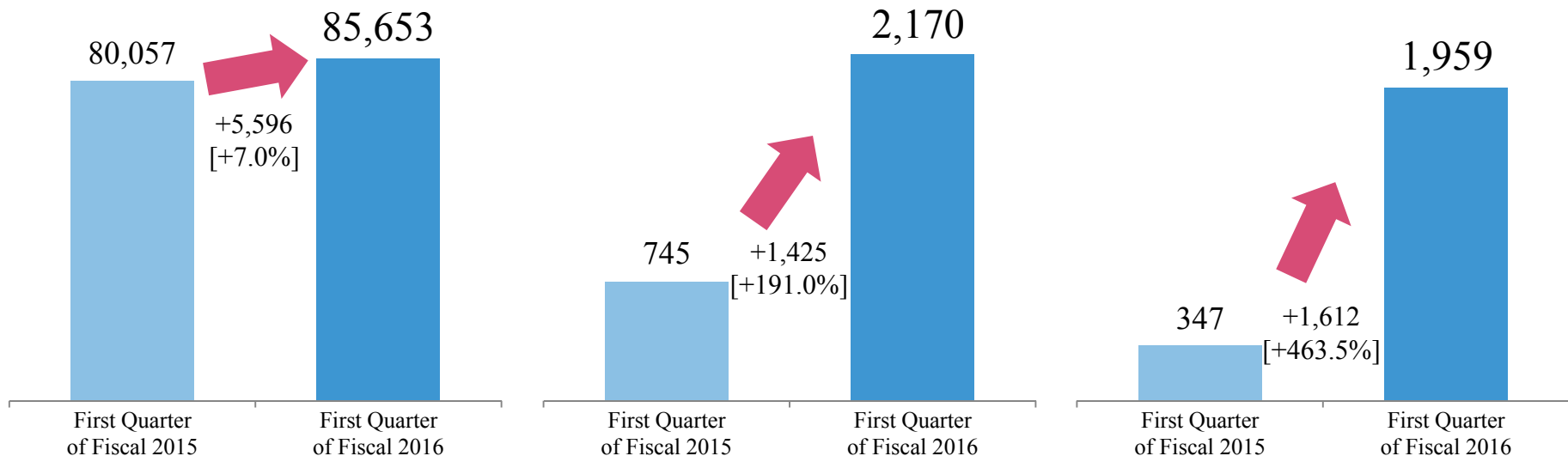
[Millions of yen]

- Net sales grew year-on-year, against a favorable business backdrop.
- Fueled by the higher sales starting point, profits increased year-on-year as well.

Net Sales ¥85,653 million
YOY change: +¥5,596 million [+ 7.0%]

Operating Income ¥2,170 million
YOY change: +¥1,425 million [+191.0%]

Net income attributable to owners of parent company ¥ 1,959million
YOY change: +¥1,612 million [+463.5%]



In fields where IT investment is showing an uptrend, accurate identification of client needs spurred a year-on-year increase in sales.

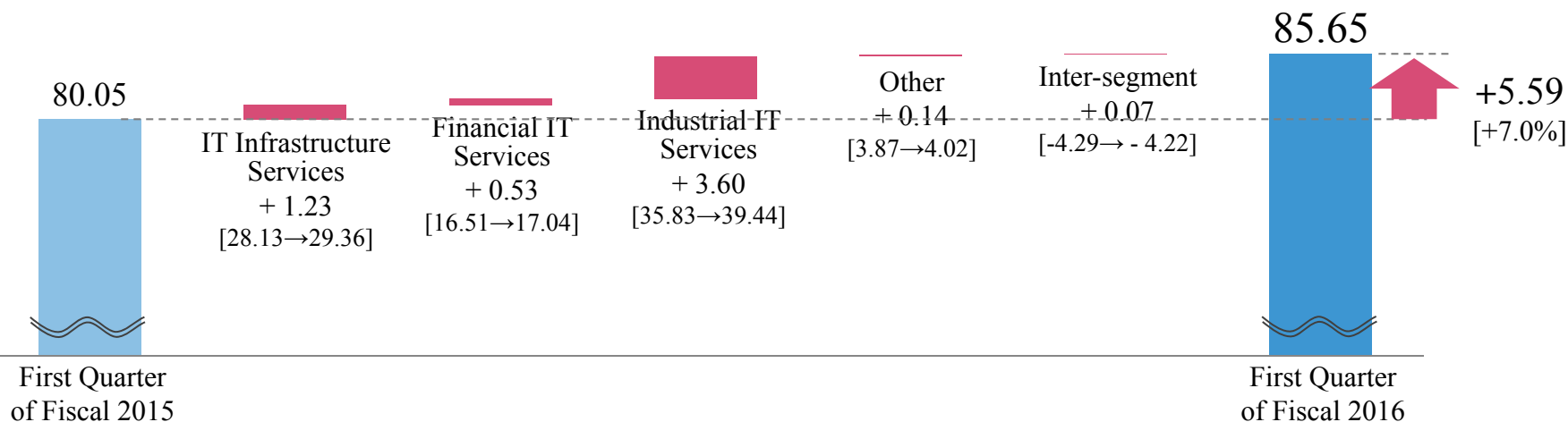
Higher sales and a decrease in unprofitable projects helped to offset the effects of tighter IT investment budgets and reduced scale of business among some existing clients, pushing operating income up year-on-year.

Net income was up over the corresponding period a year ago, thanks mainly to higher operating income.

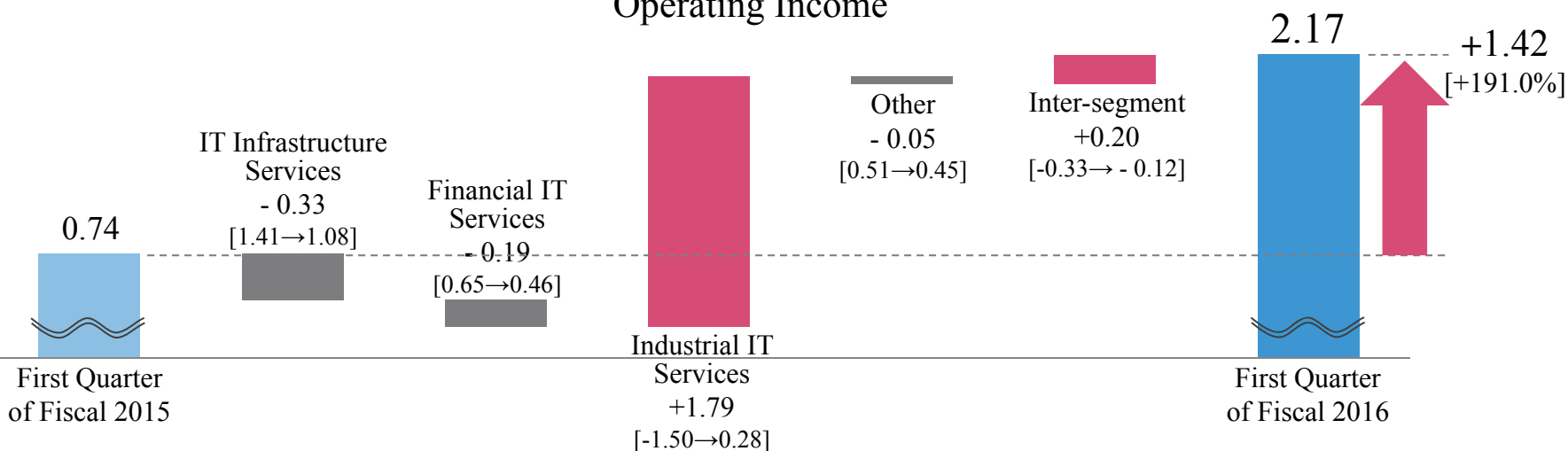
Fiscal 2016 First Quarter: Net Sales and Operating Income Analysis

[Billions of yen]

Net Sales



Operating Income

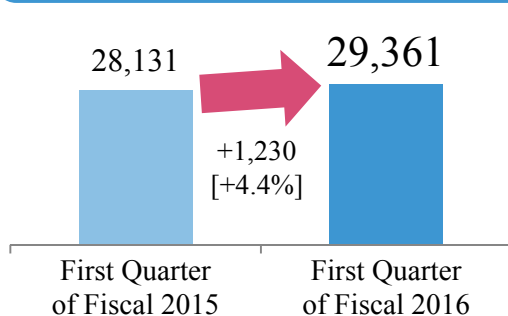


Fiscal 2016 First Quarter: Sales and Income for Key Business Segments

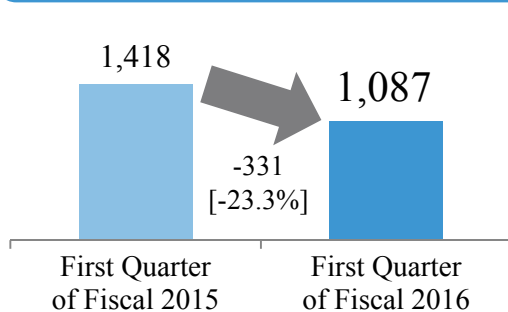
[Millions of yen]

IT Infrastructure Services

Net Sales ¥29,361 million
YOY change: +¥1,230 million [+4.4%]



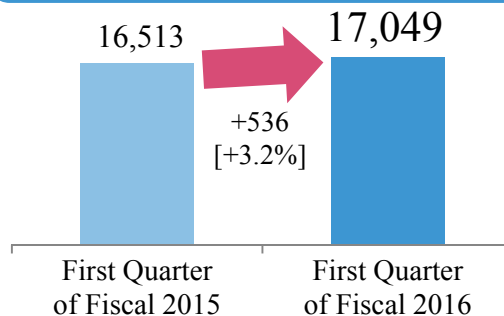
Operating Income ¥1,087 million
YOY change: -¥331 million [-23.3%]



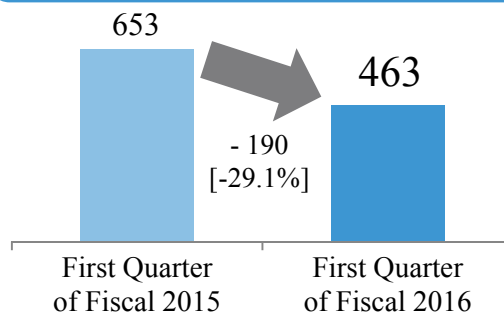
Stable demand for data center and BPO services pushed segment sales higher year-on-year, but the impact of reduced scale of business with some existing clients and lower profitability led to a decrease in operating income.

Financial IT Services

Net Sales ¥17,049 million
YOY change: +¥536 million [+3.2%]



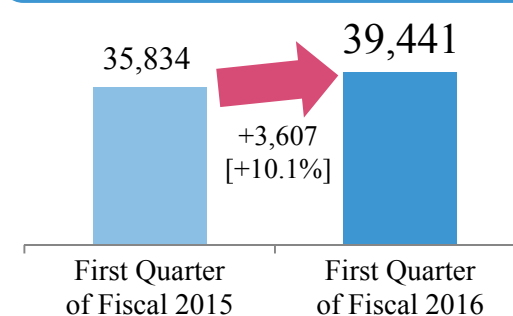
Operating Income ¥463 million
YOY change: -¥190 million [-29.1%]



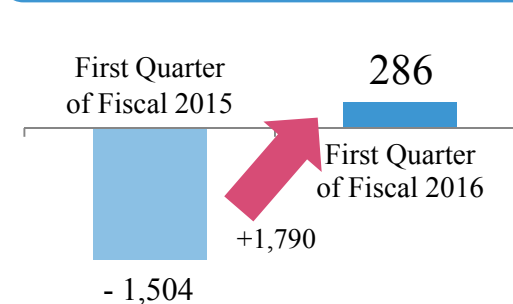
Shift toward greater IT investment by clients, notably, credit card companies and banks, led to higher segment sales, year-on-year, but IT investment cuts at some existing clients had a major impact, causing a drop in operating income.

Industrial IT Services

Net Sales ¥39,441 million
YOY change: +¥3,607 million [+10.1%]



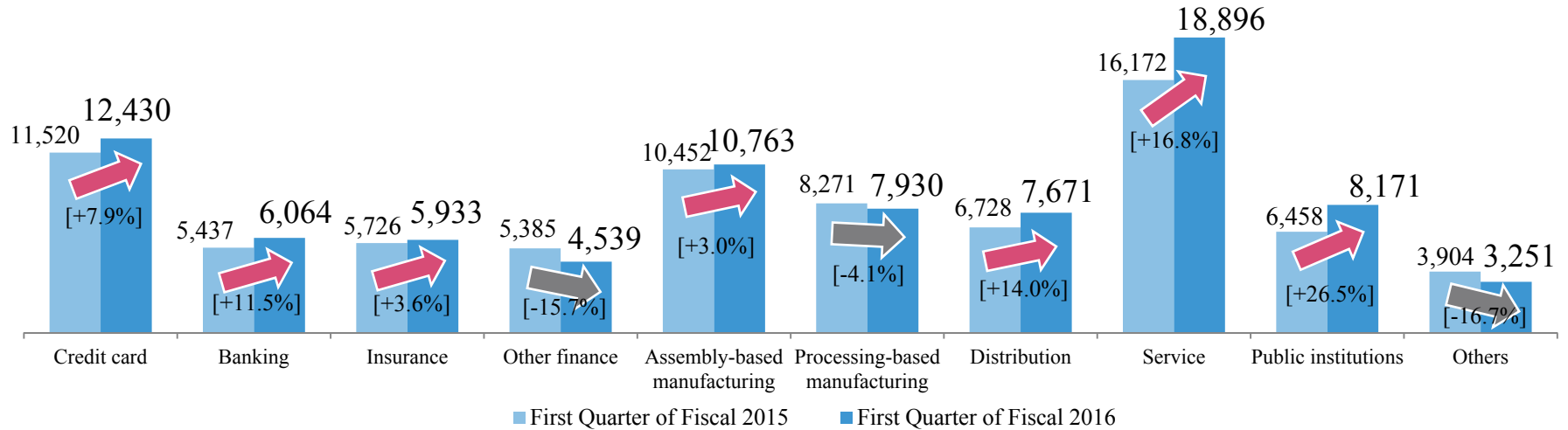
Operating Income ¥286 million
YOY change: +¥1,790 million



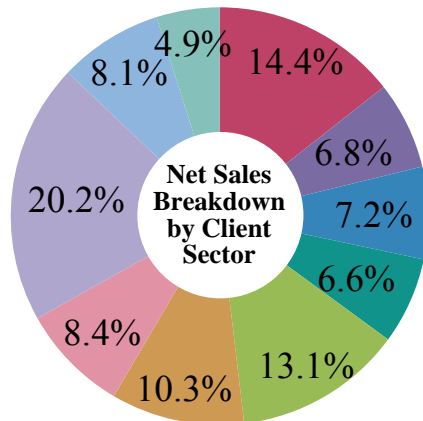
Demand was brisk, mainly for energy-related IT services, as electric power system reform spurred IT investment activity. Segment sales grew year-on-year. Higher sales and a drop in unprofitable projects helped pull segment profit out of the red for operating income in the quarter.

Fiscal 2016 First Quarter: Sales by Client Sector

[Millions of yen]

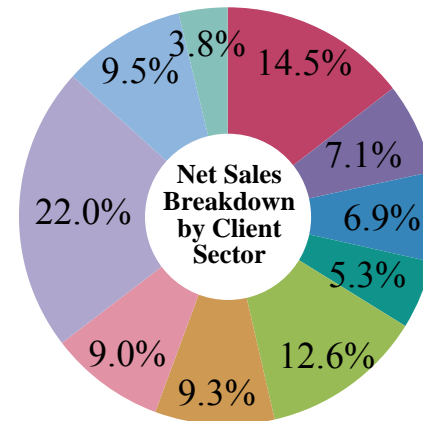


First Quarter of Fiscal 2015



Financial sector: 35.0 % Industrial sector: 52.0 %
 Public sector: 8.1 % Other sectors: 4.9%

First Quarter of Fiscal 2016



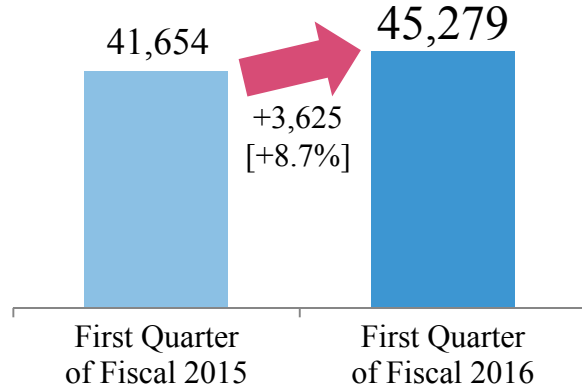
Financial sector: 33.8 % Industrial sector: 52.9 %
 Public sector: 9.5 % Other sectors: 3.8%

Fiscal 2016 First Quarter: Order Status

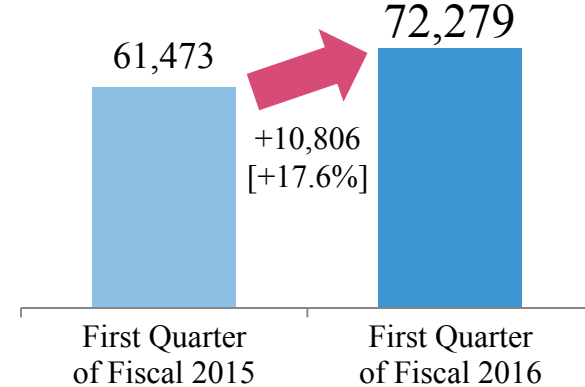
[Millions of yen]

- Order volume rose year-on-year, driven by demand for energy-related IT services which got a boost from higher investment activity.
- Order backlog at the end of the first quarter was up year-on-year, buoyed by contribution from large public-sector projects obtained in the previous term.

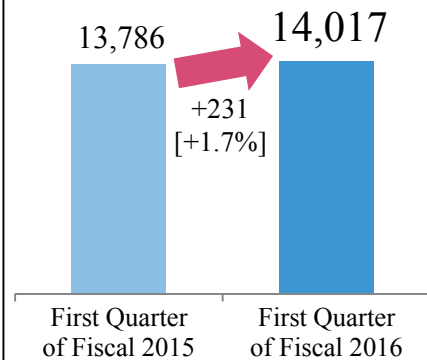
Orders received during first quarter
¥45,279 million
YOY change: +¥3,625 million [+8.7%]



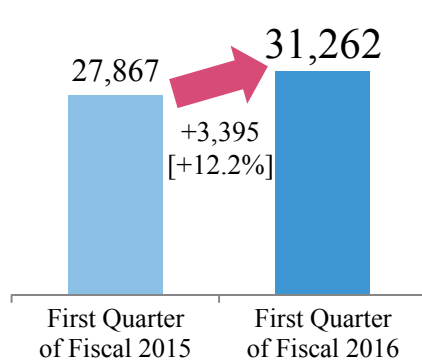
Order backlog at end of first quarter
72,279 million
YOY change: +¥10,806 million [+17.6%]



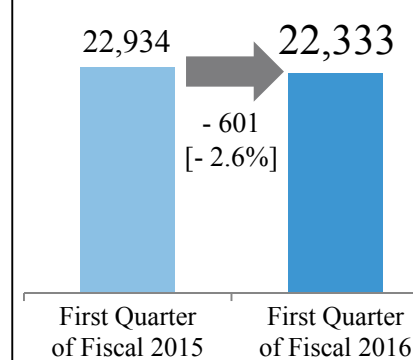
Financial IT Services



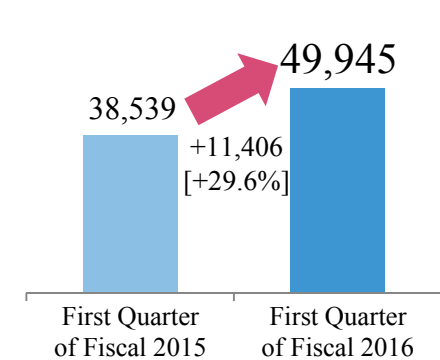
Industrial IT Services



Financial IT Services

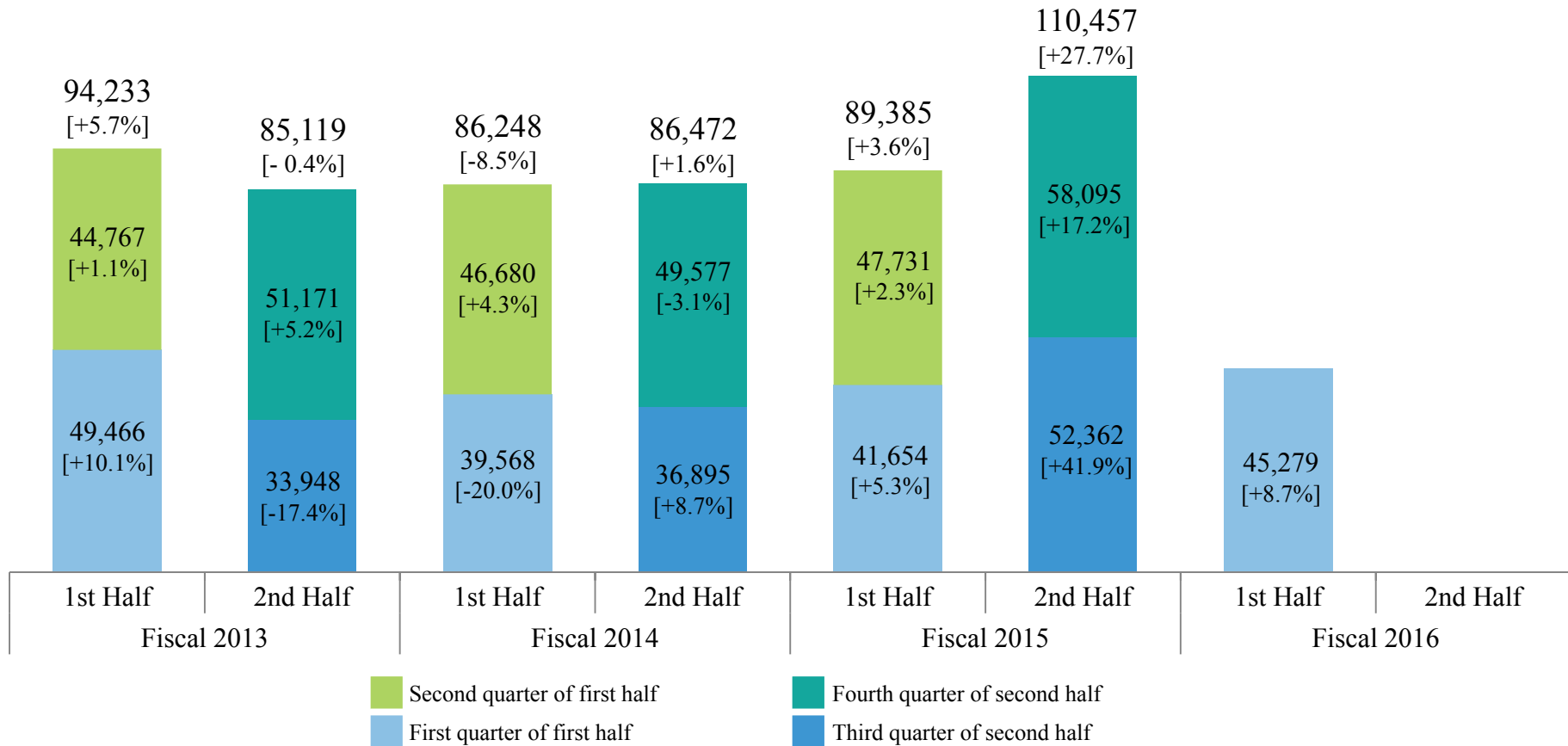


Industrial IT Services



Changes in Orders Received

[Millions of yen]

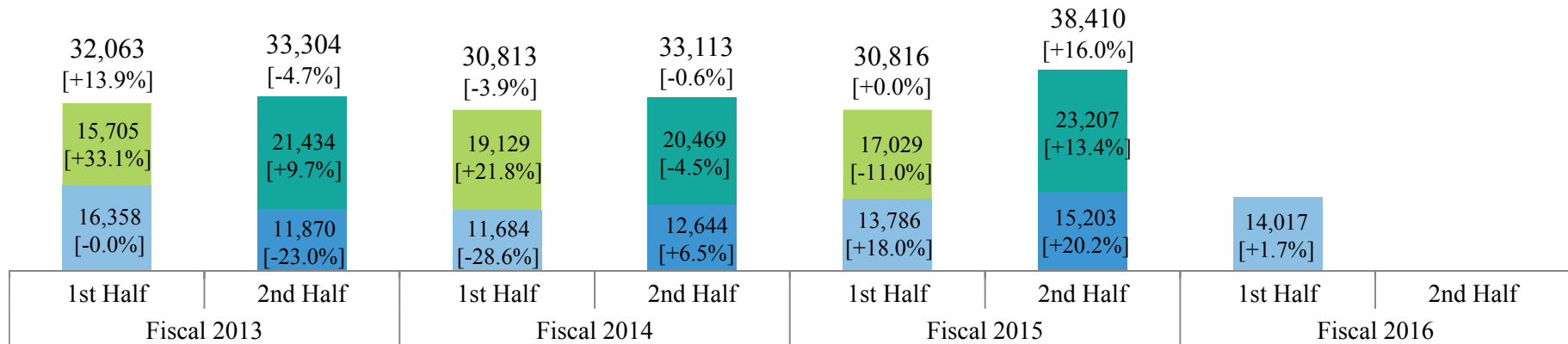


*Orders received during each quarter of each fiscal year apply to Software Development only. Percentages in columns indicate increase or decrease from the corresponding quarter in the previous fiscal year.

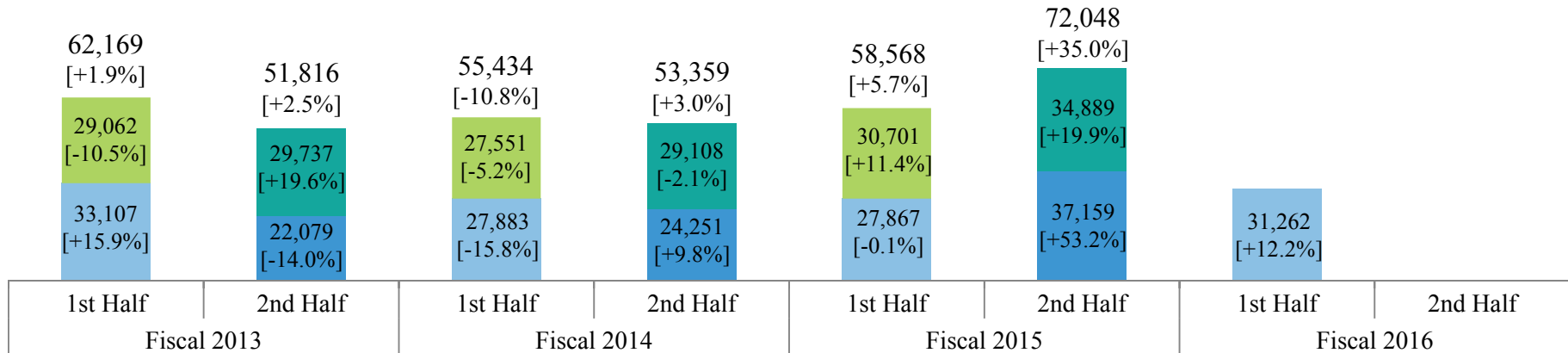
Changes in Orders Received

[Millions of yen]

Financial IT Services



Industrial IT Services



■ Second quarter of first half ■ Fourth quarter of second half
■ First quarter of first half ■ Third quarter of second half

*Orders received during each quarter of each fiscal year apply to Software Development only. Percentages in columns indicate increase or decrease from the corresponding quarter in the previous fiscal year.

Fiscal 2016 First Quarter: Financial Highlights

Fiscal 2016 Performance Forecast

Reference Materials

Fiscal 2016: Performance Forecasts

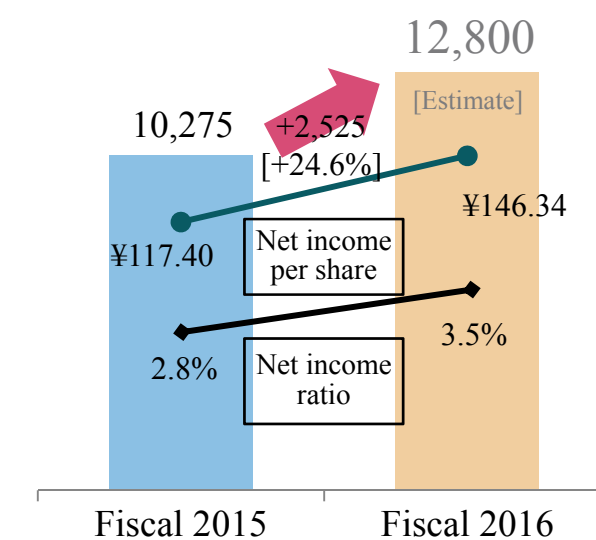
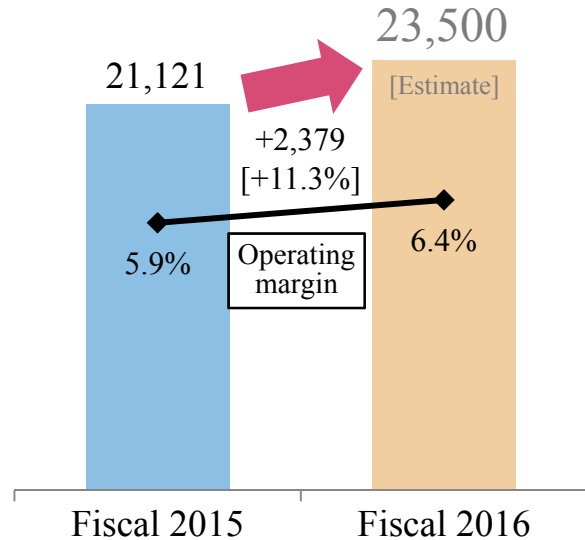
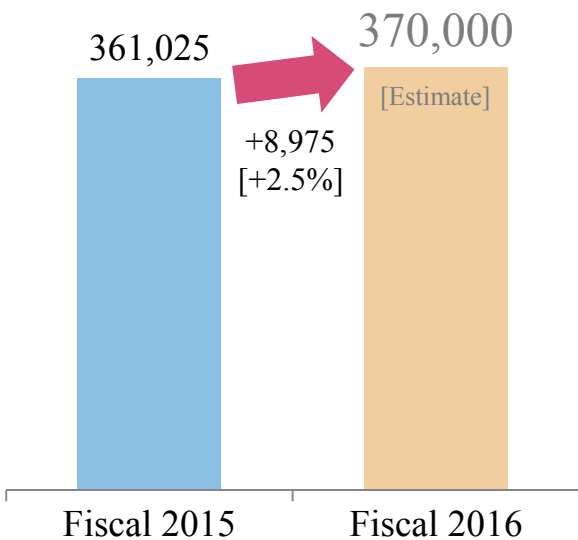
[Millions of yen]

- 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.
- ⇒ Progress is generally on track, so no change to initial forecasts is necessary.

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 attributable to owners of parent company ¥ 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.

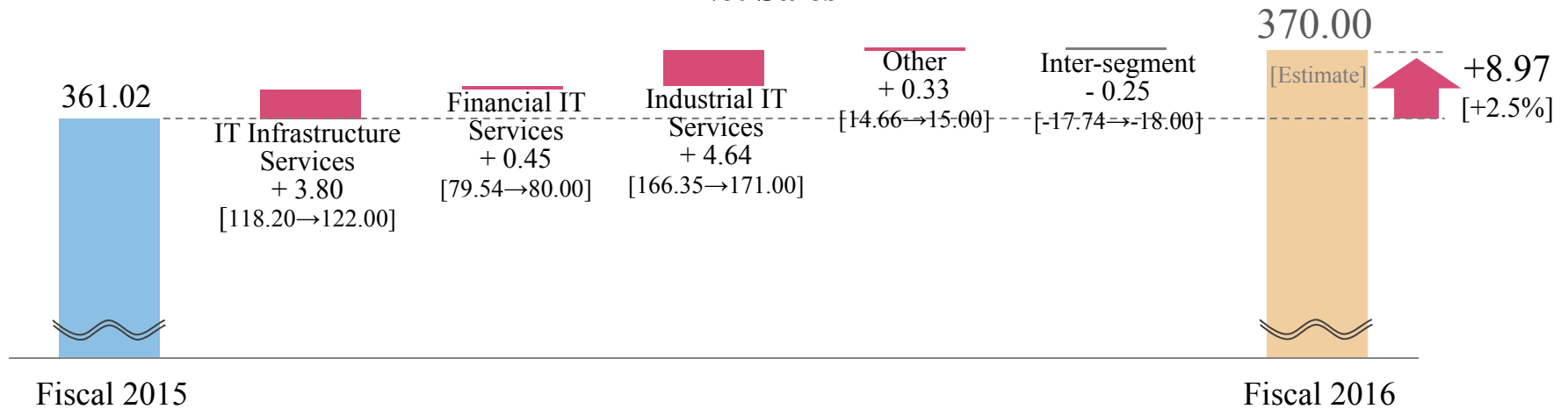


Fiscal 2016:

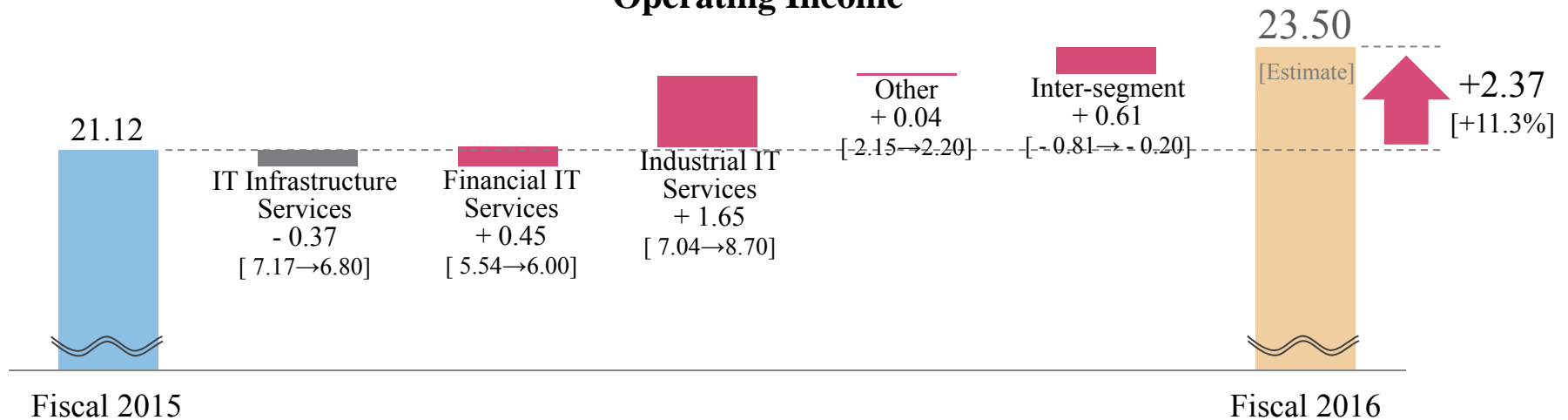
Net Sales and Operating Income Analysis [Forecast]

[Billions of yen]

Net Sales



Operating Income



Fiscal 2016:

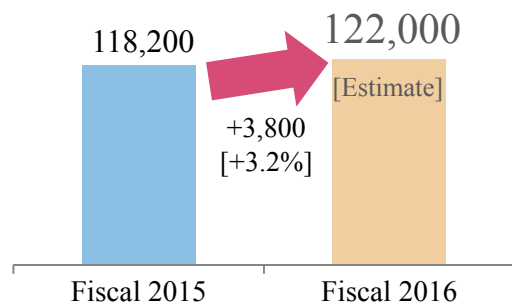
Key Business Segment Performances [Forecast]

[Millions of yen]

IT Infrastructure Services

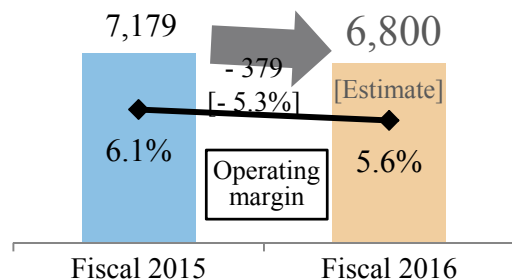
Net Sales ¥122,000 million

YOY change: +¥3,800 million [+3.25%]



Operating Income ¥6,800 million

YOY change: -¥379 million [-5.3%]



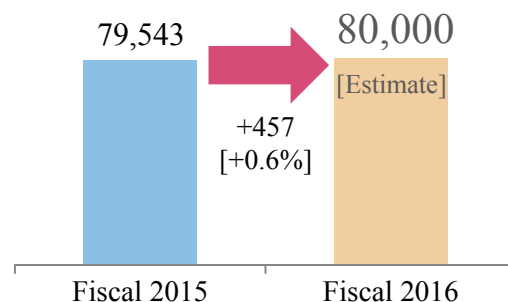
Segment sales are likely to increase, but operating income may decrease due to such factors as front-loading costs.

Increase following segment changes due to careful review of business content.

Financial IT Services

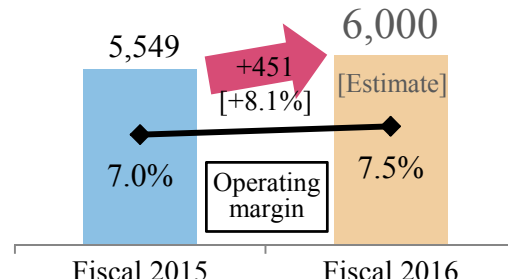
Net Sales ¥80,000 million

YOY change: +¥457 million [+0.6%]



Operating Income ¥6,000 million

YOY change: +¥451 million [+8.1%]

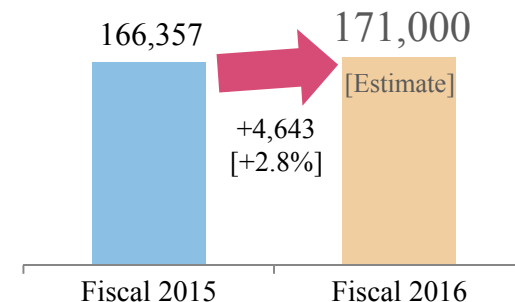


Greater IT investment, especially by credit card companies, is sure to boost segment sales and income in fiscal 2016. Decrease due to sale of subsidiaries.

Industrial IT Services

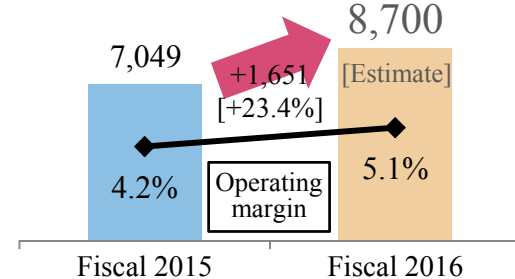
Net Sales ¥171,000 million

YOY change: +¥4,643 million [+2.8%]



Operating Income ¥8,700 million

YOY change: +¥1,651 million [+23.4%]



Efforts to expand business activities paralleling overall increase in clients' IT investment as well as measures to enhance productivity and prevent the occurrence of unprofitable projects should underpin higher segment sales and income. Decrease following segment changes due to careful review of business content.

Fiscal 2016 First Quarter: Financial Highlights

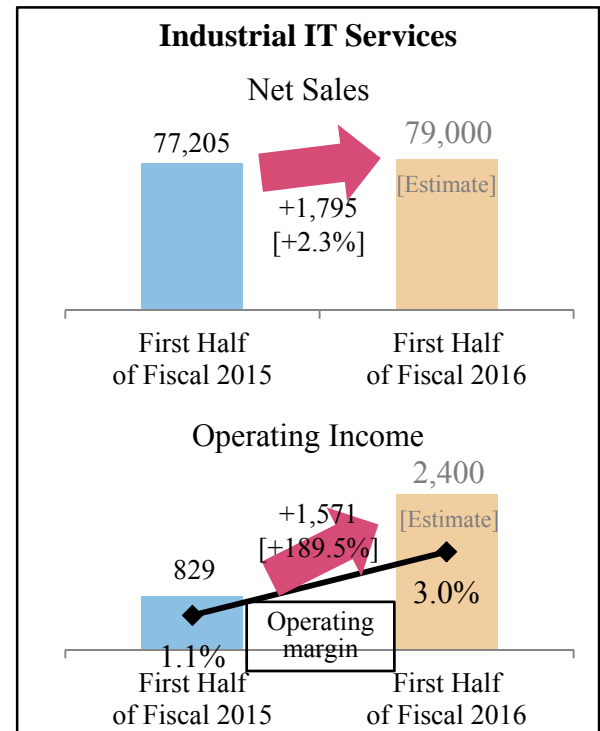
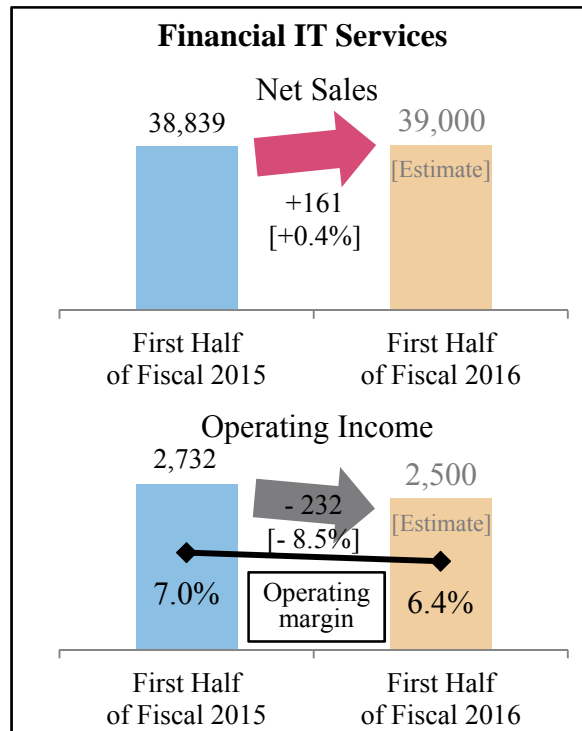
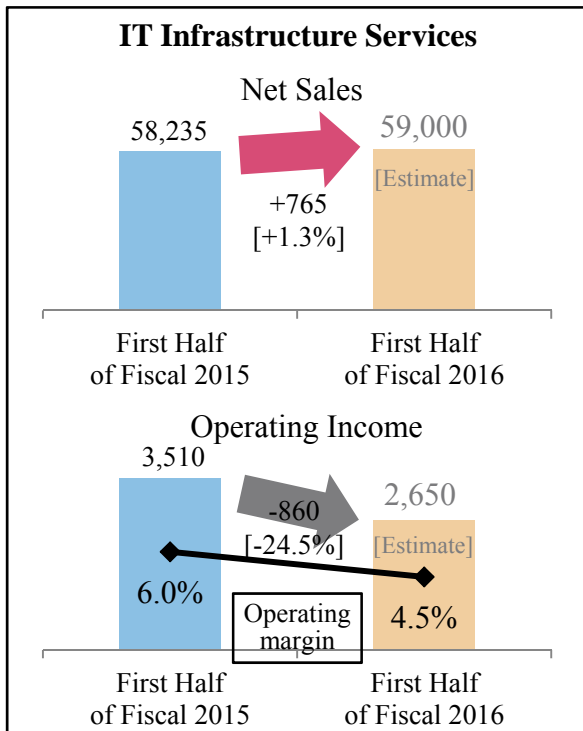
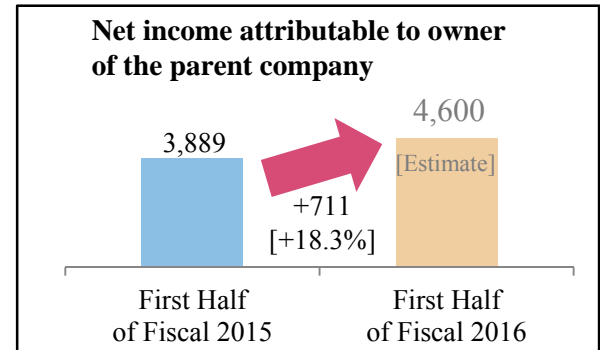
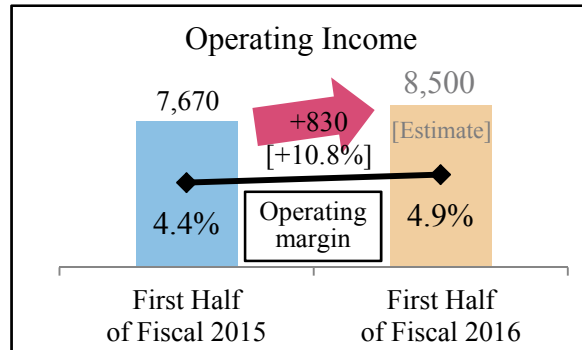
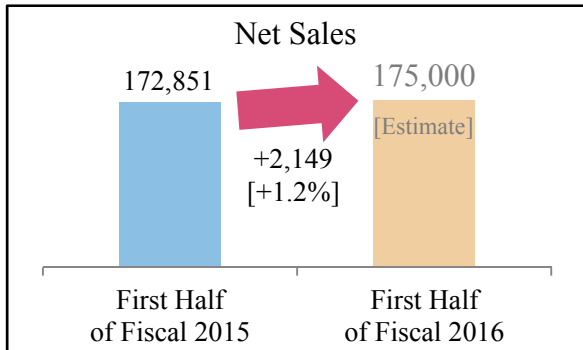
Fiscal 2016 Performance Forecast

Reference Materials



Fiscal 2016 First Half: Key Business Segment Performances [Forecast]

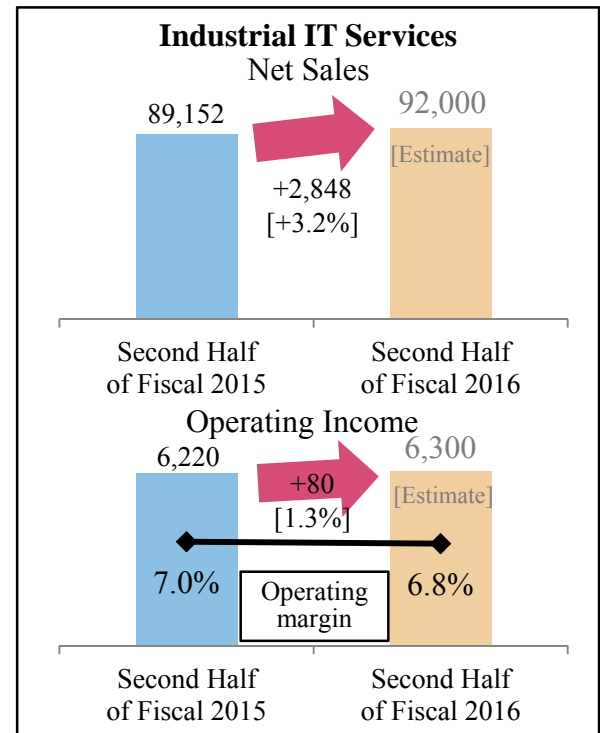
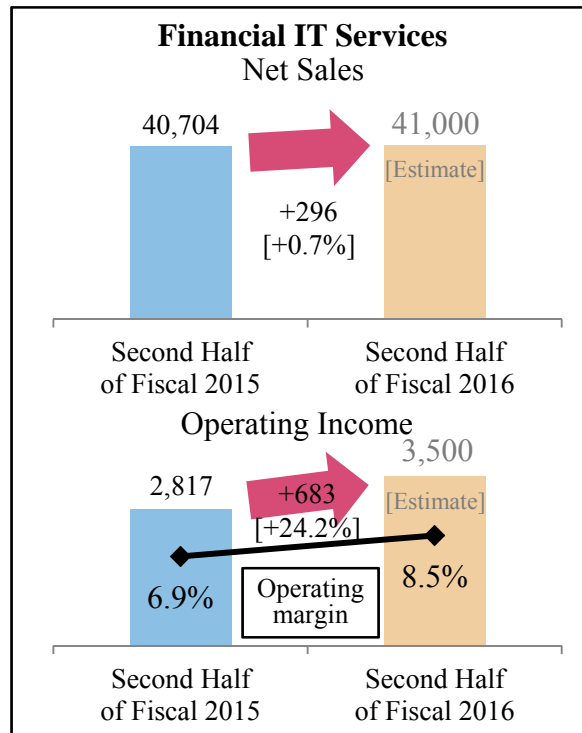
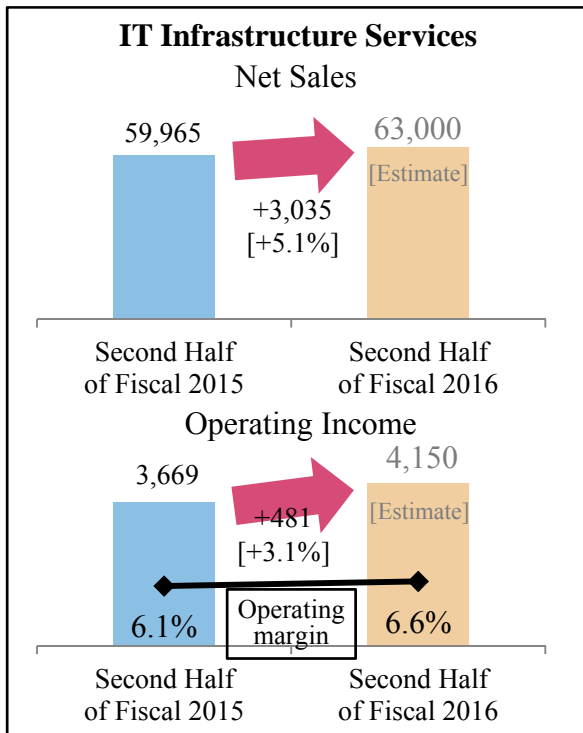
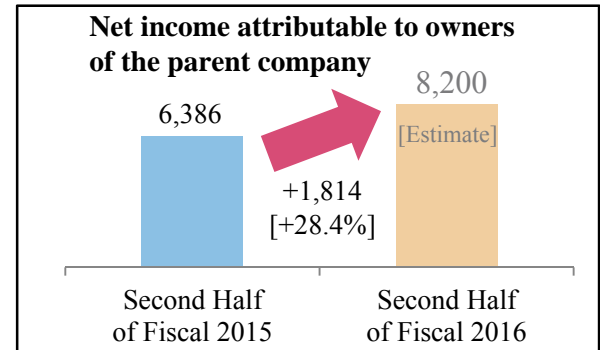
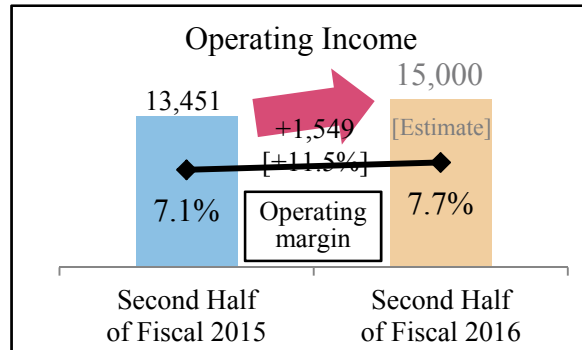
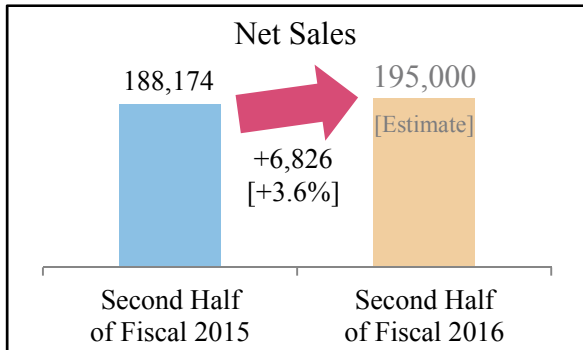
[Millions of yen]





Fiscal 2016 Second Half: Key Business Segment Performances [Forecast]

[Millions of yen]





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.