

CAC Holdings Corporation

CAC REPORT 2018

— Fiscal year ended December 31, 2017 —

Creating new value on
a global level with the
use of the latest ICT



Our mission is to continually create new value through advanced ICT.

Against a backdrop of globalization, and with an increasingly diverse range of values, we understand the needs of the market and are determined to create new services that will change the world.

That is our goal here at the CAC Group.

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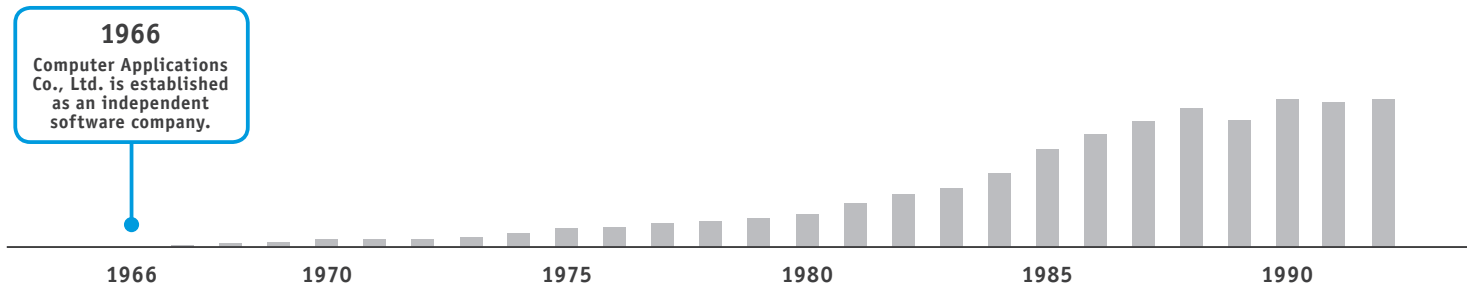
We continue growing by tackling various challenges.

The history of the CAC Group's growth is also a *history of challenges*.

Never fearing failure, we have tackled challenges in new areas.

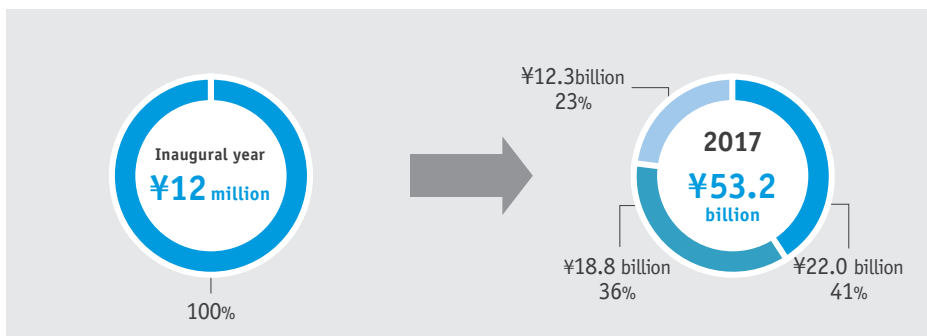
We will try to create further corporate value while making a full-scale entry on the global stage.

■ Net sales — Operating income



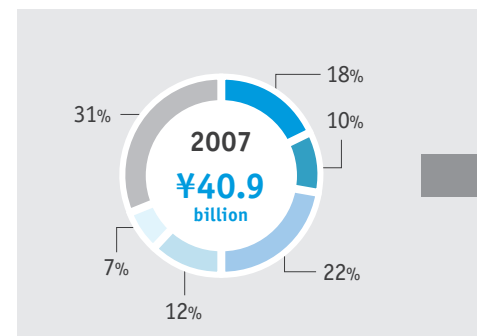
Net sales by segment

■ Systems development and integration ■ Systems operation and management ■ BPO/BTO



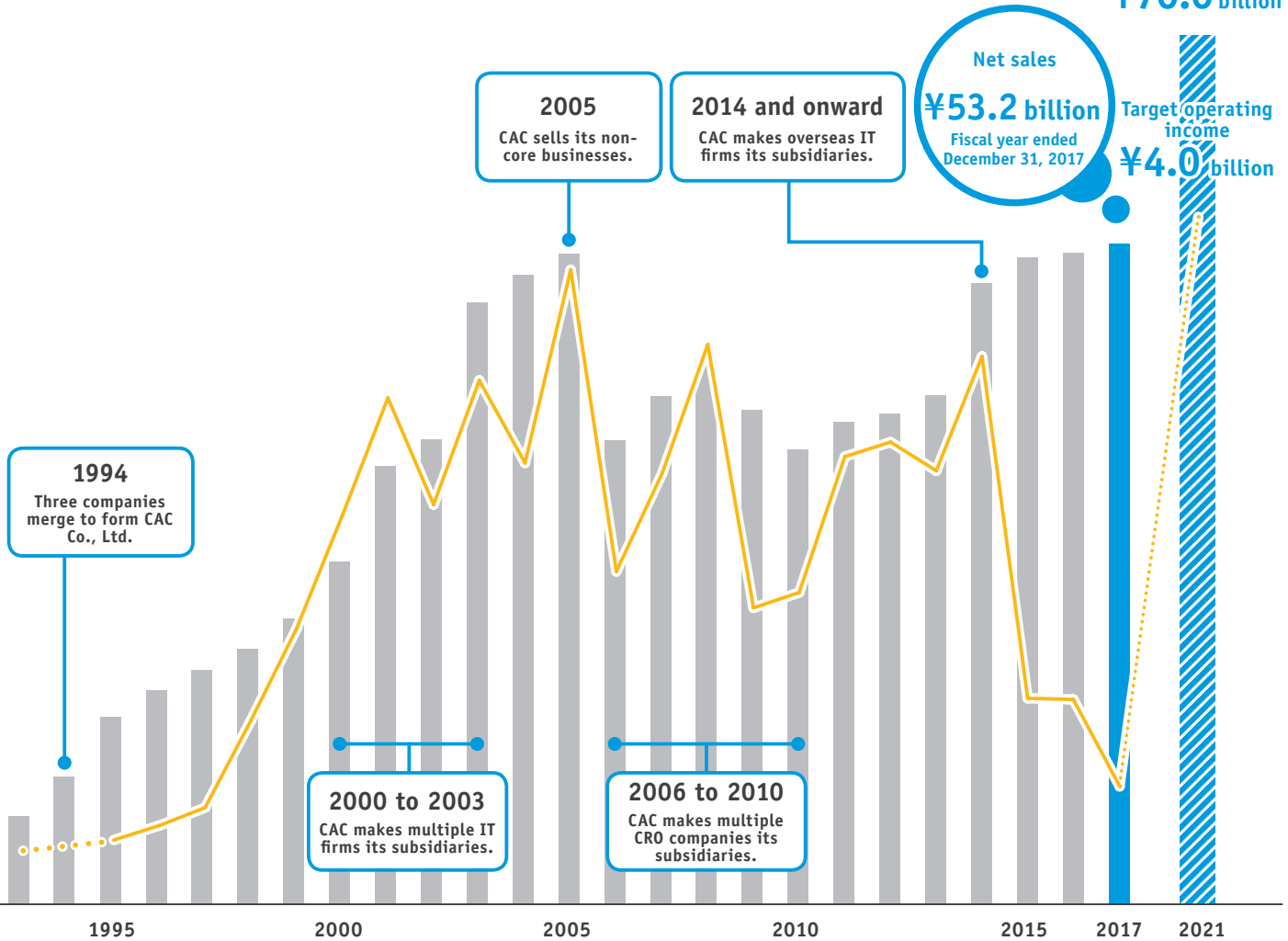
Net sales by industry

■ Financial services ■ Trust banks ■ Pharmaceuticals



Medium-term strategy
Fiscal year ending December 31, 2021

Target net sales
¥70.0 billion



Period of expansion of IT business

Period of expansion of CRO business

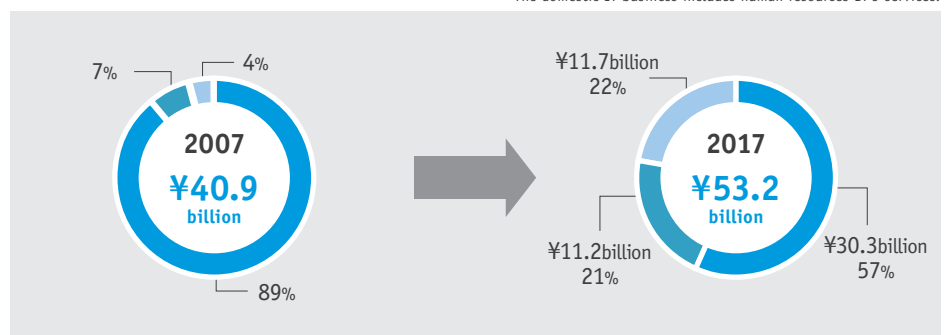
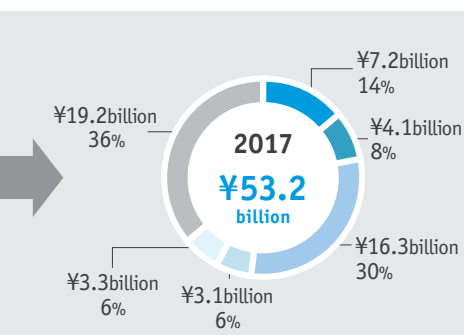
Period of full-scale overseas expansion

Net sales by region and service

Food services Manufacturing Service and others

Domestic IT CRO (pharmaceutical BTO) Overseas IT

* The domestic IT business includes human resources BPO services.



CAC Group's value creation and outcomes

Social needs and issues

Globalization

Promotion of innovations

Productivity improvement

Manpower reduction

Work style reform

Super-aging society

Control of healthcare costs

Business activities

Corporate concept

As a knowledge-intensive company, we provide a full range of business information system services, as well as high-value added services that integrate information technology into business.

Our role

Creating new value on a global level with the use of the latest ICT

Our strengths

Percentage of projects in which we serve as the prime contractor:

90%

Having served industry-leading corporate customers for

50 years

Sound financial structure
Net D/E ratio

-0.10 times

OUTPUT

Products and services

IT services

Systems development and integration services



Systems operation and management services



Outsourcing services

CRO (pharmaceutical BT0) services



Human resource BPO services



OUTCOME

Values we create

Social value

Contributing to customers' business reforms



Efficient support for pharmaceutical development



Economic value

New medium-term strategy

Determination 21

2018>2021

Strong drive,
Infinite possibilities



Targets (Fiscal year ending December 31, 2021)

Net sales	Operating income
¥70.0 billion	¥4.0 billion

Three key points of the CAC Group

We have summarized our unique strengths into three key points to have the CAC Group understood better.

POINT

01

An IT and healthcare service provider that has been changing in response to needs of the times

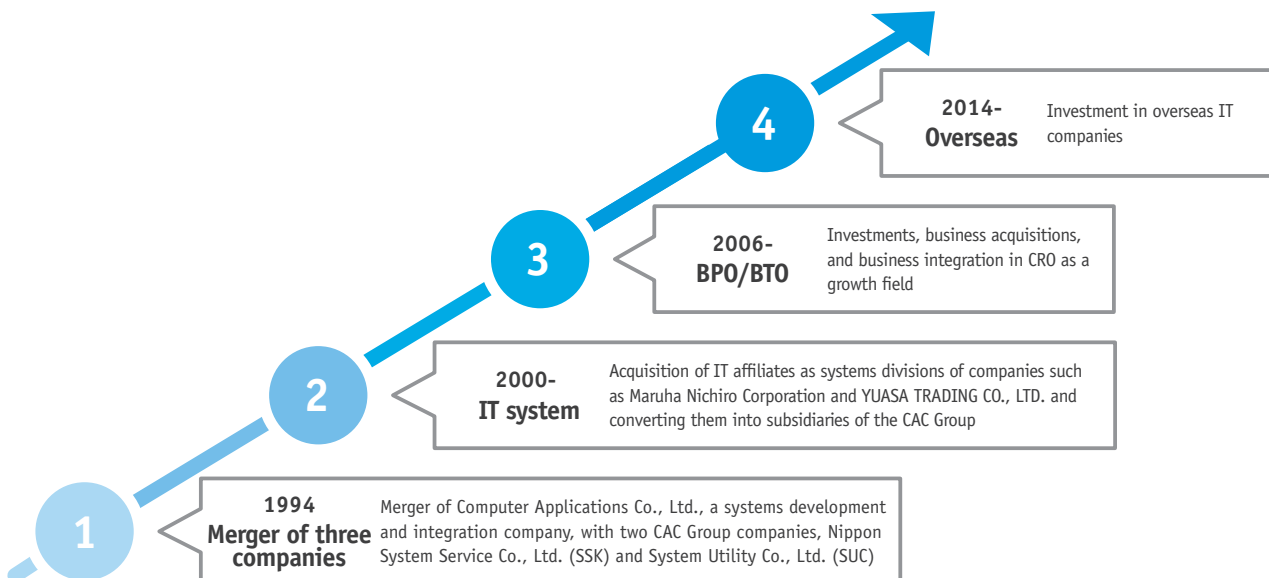
<p>The CAC Group is an independent pioneer that was founded at the dawn of the software industry in Japan.</p>	<p>In regards to services for the pharmaceutical industry, in addition to IT domain, we have expanded into the domain of the CRO (pharmaceutical BTO) business. This business has been our growth engine in recent years.</p>	<p>We command a large market share for the development of pension management systems for major trust and banking companies.</p>	<p>We are prime contractor who develops and provides the optimal systems for users.</p>
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<p>Prime contract rate</p> <p>Approx. 90%</p> <p><small>* At CAC Corporation</small></p>	<p>CAGR* of sales from CRO business in the past 10 years</p> <p>13%</p> <p><small>* Compound annual growth rate</small></p>
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POINT

02

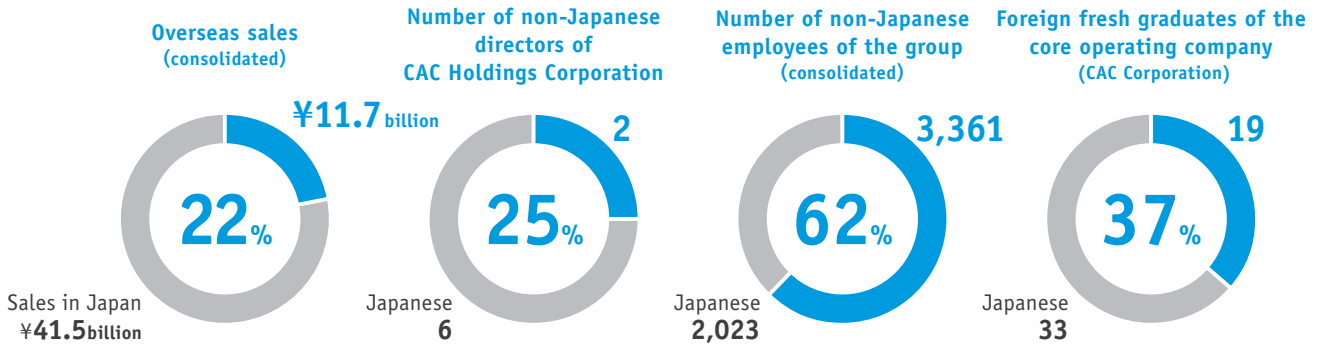
Early start of growth through mergers and acquisitions (M&A)



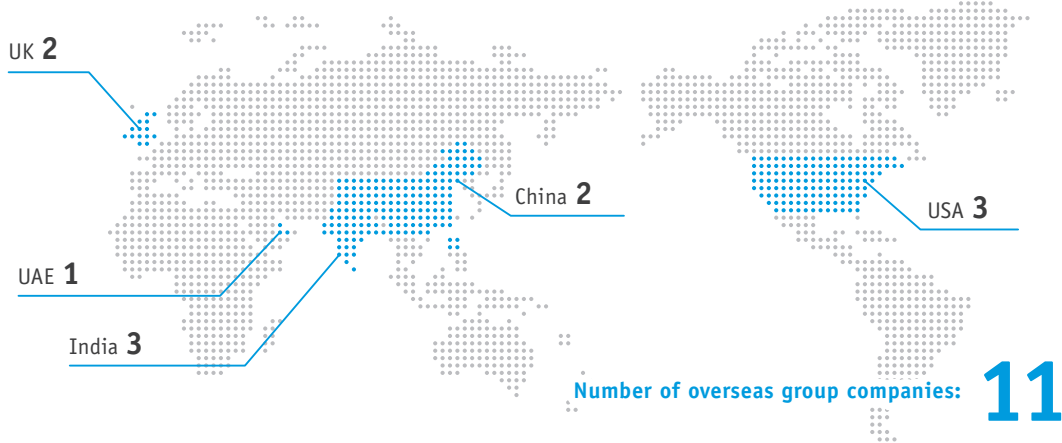
POINT
03

Overseas markets as growth frontiers

The CAC Group expanded overseas in the 1970s before other Japanese companies were interested in entering the markets of other countries.
 In recent years, we have been increasing the percentage of overseas operations through initiatives such as aggressive M&A as part of our efforts to respond to global demand.
 We will continue making group-wide efforts to accelerate our globalization as a growth area.



Overseas business locations * As of April 1, 2018



History of overseas expansion

