

April 28, 2017

**Outline of business results****Consolidated Net sales and Profits**

(Millions of yen)

	1Q 2015	1Q 2016				1Q 2017				Consolidated to non-consolidated ratio
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year	
Net sales	159,411	171,130	100.0%	+11,719	+7.4%	180,278	100.0%	+9,147	+5.3%	1.12
Gross profit	33,303	34,939	20.4%	+1,635	+4.9%	37,940	21.0%	+3,001	+8.6%	1.10
Operating income	9,225	10,031	5.9%	+806	+8.7%	11,744	6.5%	+1,713	+17.1%	1.15
Ordinary income	9,502	10,360	6.1%	+858	+9.0%	12,131	6.7%	+1,770	+17.1%	1.10
Net income*	5,716	6,496	3.8%	+779	+13.6%	8,045	4.5%	+1,549	+23.8%	1.06

\*Profit attributable to owners of parent

**Non-consolidated Net sales and Profits**

(Millions of yen)

	1Q 2015	1Q 2016				1Q 2017			
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
Net sales	144,536	155,591	100.0%	+11,054	+7.6%	161,528	100.0%	+5,936	+3.8%
Gross profit	30,208	32,202	20.7%	+1,993	+6.6%	34,431	21.3%	+2,229	+6.9%
Operating income	7,844	9,074	5.8%	+1,230	+15.7%	10,205	6.3%	+1,131	+12.5%
Ordinary income	8,276	9,814	6.3%	+1,537	+18.6%	11,010	6.8%	+1,196	+12.2%
Net income	5,124	6,335	4.1%	+1,211	+23.7%	7,562	4.7%	+1,226	+19.4%

**Quarterly change of consolidated Net sales**

(Millions of yen)

	FY 2015	FY 2016			FY 2017		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	159,411	171,130	+11,719	+7.4%	180,278	+9,147	+5.3%
2Q (Apr. - Jun.)	158,522	167,379	+8,857	+5.6%	-	-	-
3Q (Jul. - Sep.)	135,704	144,234	+8,529	+6.3%	-	-	-
4Q (Oct. - Dec.)	155,408	160,673	+5,265	+3.4%	-	-	-

**Quarterly change of consolidated Ordinary income**

(Millions of yen)

	FY 2015	FY 2016			FY 2017		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	9,502	10,360	+858	+9.0%	12,131	+1,770	+17.1%
2Q (Apr. - Jun.)	14,194	14,207	+12	+0.1%	-	-	-
3Q (Jul. - Sep.)	4,900	5,677	+776	+15.8%	-	-	-
4Q (Oct. - Dec.)	9,642	10,535	+893	+9.3%	-	-	-

**Consolidated Net sales by segments**

(Millions of yen)

	1Q 2015	1Q 2016				1Q 2017			
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
System Integration business	95,668	103,079	60.2%	+7,411	+7.7%	109,387	60.7%	+6,308	+6.1%
Service and Support business	63,651	67,950	39.7%	+4,298	+6.8%	70,795	39.3%	+2,844	+4.2%
Other business	91	100	0.1%	+9	+10.2%	95	0.1%	-4	-4.9%

**Non-consolidated Net sales and Gross profit by segments**

(Millions of yen)

		1Q 2015	1Q 2016				1Q 2017			
		Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
Net sales	System Integration	81,688	88,427	56.8%	+6,738	+8.2%	91,495	56.6%	+3,068	+3.5%
	Service and Support	62,847	67,163	43.2%	+4,315	+6.9%	70,032	43.4%	+2,868	+4.3%
Gross profit	System Integration	15,106	16,310	50.7%	+1,203	+8.0%	17,691	51.4%	+1,380	+8.5%
	Service and Support	15,101	15,891	49.3%	+790	+5.2%	16,740	48.6%	+848	+5.3%

**Non-consolidated Net sales by 4 segments**

(Millions of yen)

		1Q 2015	1Q 2016				1Q 2017			
		Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year
System Integration business	SI related products	71,782	78,310	50.3%	+6,527	+9.1%	80,843	50.0%	+2,532	+3.2%
	Custom-made software etc.	9,906	10,117	6.5%	+211	+2.1%	10,652	6.6%	+535	+5.3%
Service and Support business	Supplies	32,763	35,471	22.8%	+2,707	+8.3%	36,820	22.8%	+1,348	+3.8%
	Maintenance, etc.	30,083	31,691	20.4%	+1,607	+5.3%	33,212	20.6%	+1,520	+4.8%

**Consolidated Cash flows** (Millions of yen)

	1Q 2015	1Q 2016	1Q 2017
C/F from operating	5,118	6,110	<b>14,396</b>
C/F from investing	-2,066	-1,210	<b>-1,343</b>
C/F from financing	-8,595	-8,965	<b>-11,436</b>
Cash and cash equivalents at end of period	92,400	105,521	<b>119,777</b>

**Consolidated Equity and Interest-bearing debt**

	2015 Mar. 31	2016 Mar. 31	2017 Mar. 31
Equity	154,756	169,523	<b>187,019</b>
Interest-bearing debt	9,860	9,824	<b>9,416</b>
Total assets	315,072	338,554	<b>361,730</b>
Equity ratio	49.1%	50.1%	<b>51.7%</b>
Interest-bearing debt ratio	3.1%	2.9%	<b>2.6%</b>

**Non-consolidated Key strategic business**

(Millions of yen)

	1Q 2015	1Q 2016		1Q 2017			
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	35,091	38,366	+3,274	+9.3%	<b>39,485</b>	<b>+1,118</b>	<b>+2.9%</b>
SMILE	2,631	2,197	-433	-16.5%	<b>2,543</b>	<b>+345</b>	<b>+15.7%</b>
ODS21	11,902	12,032	+129	+1.1%	<b>14,519</b>	<b>+2,487</b>	<b>+20.7%</b>
OSM	14,439	17,983	+3,543	+24.5%	<b>17,924</b>	<b>-59</b>	<b>-0.3%</b>
<As reference: Number of Sales> (Units)							
Copier	9,986	10,990	+1,004	+10.1%	<b>11,975</b>	<b>+985</b>	<b>+9.0%</b>
(of which color copier)	9,158	10,139	+981	+10.7%	<b>11,343</b>	<b>+1,204</b>	<b>+11.9%</b>
Server	11,646	10,295	-1,351	-11.6%	<b>7,896</b>	<b>-2,399</b>	<b>-23.3%</b>
PC	255,010	285,920	+30,910	+12.1%	<b>246,735</b>	<b>-39,185</b>	<b>-13.7%</b>
Client Total		304,747	+39,136	+14.7%	<b>254,853</b>	<b>-49,894</b>	<b>-16.4%</b>

**Future Plans****Plans of consolidated Net sales and profits**

(Millions of yen)

	1Q 2017 (Result)	1H 2017 (Plan)	FY 2017 (Plan)
Net sales	180,278	<b>354,820</b>	<b>671,000</b>
Operating income	11,744	<b>24,740</b>	<b>41,000</b>
Ordinary income	12,131	<b>25,080</b>	<b>41,600</b>
Net income*	8,045	<b>16,507</b>	<b>27,280</b>

\*Profit attributable to owners of parent

**Plans of consolidated Net sales by segments**

(Millions of yen)

	FY 2015 (Result)	FY 2016 (Result)		FY 2017 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
System Integration	353,170	376,391	+6.6%	<b>391,730</b>	<b>+4.1%</b>
Service and Support	255,490	266,625	+4.4%	<b>278,910</b>	<b>+4.6%</b>
Others	385	400	+3.9%	<b>360</b>	<b>-10.2%</b>