

August 1, 2017

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

(Millions of yen)

	2015	2016 Jan. - Jun.				2017 Jan. - Jun.						Consolidated to non-consolidated ratio
	Jan. - Jun.	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Plan	Ratio to Plan	Difference to Last year	Change to Last year	
Net sales	317,933	338,509	100.0%	+20,576	+6.5%	357,585	100.0%	354,820	100.8%	+19,075	+5.6%	1.10
Gross profit	71,390	73,919	21.8%	+2,528	+3.5%	79,416	22.2%	-	-	+5,496	+7.4%	1.09
Operating income	23,173	23,944	7.1%	+771	+3.3%	26,827	7.5%	24,740	108.4%	+2,882	+12.0%	1.10
Ordinary income	23,697	24,568	7.3%	+871	+3.7%	27,387	7.7%	25,080	109.2%	+2,819	+11.5%	1.08
Net income*	14,649	15,959	4.7%	+1,310	+8.9%	18,541	5.2%	16,507	112.3%	+2,581	+16.2%	1.06

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	2015	2016 Jan. - Jun.				2017 Jan. - Jun.					
	Jan. - Jun.	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Plan	Ratio to Plan	Difference to Last year	Change to Last year
Net sales	292,326	310,573	100.0%	+18,247	+6.2%	324,765	100.0%	323,750	100.3%	+14,191	+4.6%
Gross profit	65,505	68,606	22.1%	+3,100	+4.7%	72,841	22.4%	-	-	+4,235	+6.2%
Operating income	20,812	22,222	7.2%	+1,409	+6.8%	24,386	7.5%	22,950	106.3%	+2,164	+9.7%
Ordinary income	21,502	23,177	7.5%	+1,675	+7.8%	25,368	7.8%	23,850	106.4%	+2,191	+9.5%
Net income	13,307	15,256	4.9%	+1,948	+14.6%	17,477	5.4%	16,035	109.0%	+2,221	+14.6%

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%	177,307	+9,927	+5.9%
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%	15,255	+1,048	+7.4%
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)

	2015	2016 Jan. - Jun.				2017 Jan. - Jun.			
	Jan. - Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
System Integration business	190,720	203,919	60.2%	+13,198	+6.9%	216,604	60.6%	+12,684	+6.2%
Service and Support business	127,034	134,387	39.7%	+7,353	+5.8%	140,789	39.4%	+6,401	+4.8%
Other business	178	202	0.1%	+24	+13.5%	191	0.1%	-10	-5.2%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		2015	2016 Jan. - Jun.				2017 Jan. - Jun.			
		Jan. - Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
Net sales	System Integration	166,848	177,706	57.2%	+10,857	+6.5%	185,477	57.1%	+7,771	+4.4%
	Service and Support	125,477	132,867	42.8%	+7,389	+5.9%	139,288	42.9%	+6,420	+4.8%
Gross profit	System Integration	34,753	36,445	53.1%	+1,691	+4.9%	38,704	53.1%	+2,258	+6.2%
	Service and Support	30,751	32,160	46.9%	+1,408	+4.6%	34,137	46.9%	+1,976	+6.1%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		2015	2016 Jan. - Jun.				2017 Jan. - Jun.			
		Jan. - Jun.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
System Integration business	SI related products	146,495	157,166	50.6%	+10,670	+7.3%	163,766	50.4%	+6,599	+4.2%
	Custom-made software etc.	20,352	20,539	6.6%	+186	+0.9%	21,710	6.7%	+1,171	+5.7%
Service and Support business	Supplies	64,778	69,457	22.4%	+4,678	+7.2%	72,095	22.2%	+2,637	+3.8%
	Maintenance, etc.	60,698	63,409	20.4%	+2,710	+4.5%	67,192	20.7%	+3,782	+6.0%

Consolidated Cash flows (Millions of yen)

	2015	2016	2017
	Jan. - Jun.	Jan. - Jun.	Jan. - Jun.
C/F from operating	28,649	28,000	40,332
C/F from investing	-4,018	-3,346	-2,934
C/F from financing	-8,588	-9,533	-11,425
Cash and cash equivalents at end of period	113,986	124,708	144,135

Consolidated Equity and Interest-bearing debt

	2015	2016	2017
	Jun. 30	Jun. 30	Jun. 30
Equity	163,856	179,053	197,877
Interest-bearing debt	9,737	9,111	8,933
Total assets	329,245	349,795	383,116
Equity ratio	49.8%	51.2%	51.6%
Interest-bearing debt ratio	3.0%	2.6%	2.3%

Non-consolidated Key strategic business

	2015	2016 Jan. - Jun.		2017 Jan. - Jun.			
	Jan. - Jun.	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	69,383	74,913	+5,529	+8.0%	77,480	+2,566	+3.4%
SMILE	5,988	5,295	-692	-11.6%	5,950	+655	+12.4%
ODS21	26,167	28,620	+2,453	+9.4%	32,083	+3,462	+12.1%
OSM	30,149	36,222	+6,073	+20.1%	34,748	-1,473	-4.1%
<As reference: Number of Sales>							(Units)
Copier	22,294	24,007	+1,713	+7.7%	25,440	+1,433	+6.0%
(of which color copier)	20,604	22,446	+1,842	+8.9%	24,270	+1,824	+8.1%
Server	21,943	18,425	-3,518	-16.0%	16,021	-2,404	-13.0%
PC	418,547	475,781	+57,234	+13.7%	435,431	-40,350	-8.5%
Client Total		507,800	+64,527	+14.6%	453,087	-54,713	-10.8%

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

(Millions of yen)

	FY 2015	FY 2016		FY 2017	
	(Result)	(Result)	(Result)	(Plan)	(Plan)
	Amount	Amount	Change to Last year	Amount	Change to Last year
Net sales	609,045	643,417	+5.6%	671,000	+4.3%
Operating income	37,311	39,684	+6.4%	41,000	+3.3%
Ordinary income	38,240	40,780	+6.6%	41,600	+2.0%
Net income*	23,705	26,675	+12.5%	27,280	+2.3%

*Profit attributable to owners of parent

Plans of consolidated Net sales by segments

(Millions of yen)

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