

February 1, 2018

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

(Millions of yen)

	FY 2015	FY 2016				FY 2017						Consolidated to non-consolidated ratio
	Amount	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	609,045	643,417	100.0%	+34,371	+5.6%	691,166	100.0%	671,000	103.0%	+47,748	+7.4%	1.11
Gross profit	134,068	140,034	21.8%	+5,966	+4.5%	149,827	21.7%	-	-	+9,792	+7.0%	1.09
Operating income	37,311	39,684	6.2%	+2,372	+6.4%	44,386	6.4%	41,000	108.3%	+4,702	+11.9%	1.12
Ordinary income	38,240	40,780	6.3%	+2,540	+6.6%	45,460	6.6%	41,600	109.3%	+4,679	+11.5%	1.10
Net income*	23,705	26,675	4.1%	+2,969	+12.5%	31,560	4.6%	27,280	115.7%	+4,885	+18.3%	1.09

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	FY 2015	FY 2016				FY 2017					
	Amount	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	559,576	584,138	100.0%	+24,562	+4.4%	624,694	100.0%	609,200	102.5%	+40,555	+6.9%
Gross profit	123,368	129,008	22.1%	+5,640	+4.6%	136,961	21.9%	-	-	+7,952	+6.2%
Operating income	33,677	36,109	6.2%	+2,432	+7.2%	39,776	6.4%	37,500	106.1%	+3,667	+10.2%
Ordinary income	34,790	37,411	6.4%	+2,620	+7.5%	41,162	6.6%	38,700	106.4%	+3,751	+10.0%
Net income	21,640	24,776	4.2%	+3,135	+14.5%	28,899	4.6%	25,840	111.8%	+4,122	+16.6%

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%	158,943	+14,709	+10.2%
4Q (Oct. - Dec.)	155,408	160,673	+5,265	+3.4%	174,637	+13,964	+8.7%

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%	6,667	+990	+17.5%
4Q (Oct. - Dec.)	9,642	10,535	+893	+9.3%	11,404	+869	+8.3%

Consolidated Net sales by segments

(Millions of yen)

	FY 2015	FY 2016				FY 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	353,170	376,391	58.5%	+23,221	+6.6%	408,718	59.1%	+32,327	+8.6%
Service and Support business	255,490	266,625	41.4%	+11,135	+4.4%	282,064	40.8%	+15,439	+5.8%
Other business	385	400	0.1%	+15	+3.9%	383	0.1%	-17	-4.4%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		FY 2015	FY 2016				FY 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	307,290	320,621	54.9%	+13,331	+4.3%	345,573	55.3%	+24,952	+7.8%
	Service and Support	252,286	263,517	45.1%	+11,231	+4.5%	279,120	44.7%	+15,603	+5.9%
Gross profit	System Integration	62,393	65,120	50.5%	+2,726	+4.4%	69,045	50.4%	+3,925	+6.0%
	Service and Support	60,974	63,888	49.5%	+2,913	+4.8%	67,915	49.6%	+4,027	+6.3%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		FY 2015	FY 2016				FY 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	269,865	282,400	48.3%	+12,534	+4.6%	304,890	48.8%	+22,490	+8.0%
	Custom-made software etc.	37,424	38,221	6.5%	+796	+2.1%	40,683	6.5%	+2,462	+6.4%
Service and Support business	Supplies	130,137	135,841	23.3%	+5,703	+4.4%	143,593	23.0%	+7,751	+5.7%
	Maintenance, etc.	122,148	127,675	21.9%	+5,527	+4.5%	135,527	21.7%	+7,851	+6.1%

Consolidated Cash flows

(Millions of yen)

	FY 2015	FY 2016	FY 2017
C/F from operating	27,621	23,932	36,153
C/F from investing	-7,235	-5,823	-5,243
C/F from financing	-8,742	-9,532	-11,528
Cash and cash equivalents at end of period	109,587	118,183	137,545

Consolidated Equity, Interest-bearing debt, ROE and ROA

(Millions of yen)

	FY 2015	FY 2016	FY 2017
Equity	173,229	189,851	212,897
Interest-bearing debt	9,344	9,008	8,873
Total assets	324,755	343,821	380,317
Equity ratio	53.3%	55.2%	56.0%
Interest-bearing debt ratio	2.9%	2.6%	2.3%
ROE	14.09%	14.69%	15.67%
ROA	11.95%	12.02%	12.37%

Non-consolidated Key strategic business

(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
"tanomail"	139,106	146,046	+6,939	+5.0%	153,500	+7,453	+5.1%
SMILE	10,479	9,774	-705	-6.7%	10,817	+1,043	+10.7%
ODS21	46,196	51,746	+5,550	+12.0%	55,997	+4,251	+8.2%
OSM	59,831	67,937	+8,105	+13.5%	67,514	-423	-0.6%
<As reference: Number of Sales>							
	(Units)						
Copier	41,384	44,583	+3,199	+7.7%	43,807	-776	-1.7%
(of which color copier)	38,391	42,060	+3,669	+9.6%	41,942	-118	-0.3%
Server	37,718	32,917	-4,801	-12.7%	31,232	-1,685	-5.1%
PC	795,646	854,876	+59,230	+7.4%	887,640	+32,764	+3.8%
Client Total	847,320	904,393	+57,073	+6.7%	927,835	+23,442	+2.6%

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

(Millions of yen)

	FY 2016 (Result)	FY 2017 (Result)		FY 2018 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
Net sales	643,417	691,166	+7.4%	720,000	+4.2%
Operating income	39,684	44,386	+11.9%	47,300	+6.6%
Ordinary income	40,780	45,460	+11.5%	48,000	+5.6%
Net income*	26,675	31,560	+18.3%	31,880	+1.0%

*Profit attributable to owners of parent

Plans of consolidated Net sales by segments

(Millions of yen)

	FY 2016 (Result)	FY 2017 (Result)		FY 2018 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
System Integration	376,391	408,718	+8.6%	426,420	+4.3%
Service and Support	266,625	282,064	+5.8%	293,580	+4.1%
Others	400	383	-4.4%	-	-