

February 3, 2020

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

(Millions of yen)

	FY 2017	FY 2018				FY 2019						Consolidated to non-consolidated ratio
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Plan (Note)	Ratio to Plan(Note)	Difference to Last year	Change to Last year	
Net sales	691,166	759,871	100.0%	+68,704	+9.9%	886,536	100.0%	840,000	105.5%	+126,665	+16.7%	1.11
Gross profit	149,827	157,817	20.8%	+7,989	+5.3%	179,999	20.3%	-	-	+22,182	+14.1%	1.09
Operating profit	44,386	48,058	6.3%	+3,671	+8.3%	62,192	7.0%	55,800	111.5%	+14,134	+29.4%	1.12
Ordinary profit	45,460	49,285	6.5%	+3,825	+8.4%	63,706	7.2%	57,000	111.8%	+14,420	+29.3%	1.11
Profit*	31,560	33,601	4.4%	+2,041	+6.5%	43,497	4.9%	38,450	113.1%	+9,895	+29.4%	1.09

*Profit attributable to owners of parent

(Note)According to plan revised on July 29, 2019

Non-consolidated Net sales and Profits

(Millions of yen)

	FY 2017	FY 2018				FY 2019					
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Plan (Note)	Ratio to Plan(Note)	Difference to Last year	Change to Last year
Net sales	624,694	684,912	100.0%	+60,218	+9.6%	802,200	100.0%	757,000	106.0%	+117,288	+17.1%
Gross profit	136,961	144,261	21.1%	+7,300	+5.3%	165,529	20.6%	-	-	+21,267	+14.7%
Operating profit	39,776	42,535	6.2%	+2,758	+6.9%	55,632	6.9%	49,700	111.9%	+13,097	+30.8%
Ordinary profit	41,162	44,254	6.5%	+3,091	+7.5%	57,593	7.2%	51,600	111.6%	+13,339	+30.1%
Profit	28,899	30,686	4.5%	+1,787	+6.2%	39,952	5.0%	35,500	112.5%	+9,265	+30.2%

(Note)According to plan revised on July 29, 2019

Quarterly change of consolidated Net sales

(Millions of yen)

	FY 2017	FY 2018			FY 2019		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	180,278	191,225	+10,947	+6.1%	218,681	+27,455	+14.4%
2Q (Apr. - Jun.)	177,307	198,637	+21,330	+12.0%	231,472	+32,834	+16.5%
3Q (Jul. - Sep.)	158,943	176,262	+17,318	+10.9%	216,944	+40,682	+23.1%
4Q (Oct. - Dec.)	174,637	193,745	+19,107	+10.9%	219,437	+25,692	+13.3%

Quarterly change of consolidated Ordinary profit

(Millions of yen)

	FY 2017	FY 2018			FY 2019		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	12,131	12,222	+91	+0.8%	15,087	+2,864	+23.4%
2Q (Apr. - Jun.)	15,255	15,645	+389	+2.6%	19,623	+3,978	+25.4%
3Q (Jul. - Sep.)	6,667	7,167	+499	+7.5%	12,677	+5,510	+76.9%
4Q (Oct. - Dec.)	11,404	14,250	+2,845	+24.9%	16,318	+2,068	+14.5%

Consolidated Net sales by segments

(Millions of yen)

	FY 2017	FY 2018				FY 2019			
	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	408,718	463,293	61.0%	+54,574	+13.4%	578,698	65.3%	+115,405	+24.9%
Service and Support business	282,064	296,577	39.0%	+14,513	+5.1%	307,837	34.7%	+11,259	+3.8%
Other business	383	-	-	-	-	-	-	-	-

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		FY 2017	FY 2018				FY 2019			
		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	345,573	391,027	57.1%	+45,454	+13.2%	497,038	62.0%	+106,011	+27.1%
	Service and Support	279,120	293,884	42.9%	+14,763	+5.3%	305,161	38.0%	+11,277	+3.8%
Gross profit	System Integration	69,045	73,408	50.9%	+4,362	+6.3%	91,629	55.4%	+18,221	+24.8%
	Service and Support	67,915	70,853	49.1%	+2,938	+4.3%	73,899	44.6%	+3,045	+4.3%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		FY 2017	FY 2018				FY 2019			
		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	304,890	346,267	50.6%	+41,377	+13.6%	442,620	55.2%	+96,353	+27.8%
	Custom-made software etc.	40,683	44,760	6.5%	+4,077	+10.0%	54,418	6.8%	+9,657	+21.6%
Service and Support business	Supplies	143,593	150,438	22.0%	+6,844	+4.8%	156,331	19.5%	+5,893	+3.9%
	Maintenance, etc.	135,527	143,446	20.9%	+7,918	+5.8%	148,830	18.6%	+5,383	+3.8%

Consolidated Cash flows

(Millions of yen)

	FY 2017	FY 2018	FY 2019
C/F from operating	36,153	38,646	48,762
C/F from investing	-5,243	-11,096	-7,934
C/F from financing	-11,528	-13,470	-16,221
Cash and cash equivalents at end of period	137,545	151,585	176,198

Consolidated Equity, Interest-bearing debt, ROE and ROA

(Millions of yen)

	FY 2017	FY 2018	FY 2019
Equity	212,897	229,726	259,328
Interest-bearing debt	8,873	8,256	8,807
Total assets	380,317	406,732	461,812
Equity ratio	56.0%	56.5%	56.2%
Interest-bearing debt ratio	2.3%	2.0%	1.9%
ROE	15.67%	15.18%	17.79%
ROA	12.37%	12.32%	14.50%

Non-consolidated Key strategic business

(Millions of yen)

	FY 2017	FY 2018		FY 2019			
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	153,500	159,932	+6,431	+4.2%	166,649	+6,717	+4.2%
SMILE	10,817	11,715	+897	+8.3%	13,241	+1,526	+13.0%
ODS	55,997	55,715	-281	-0.5%	55,798	+82	+0.1%
OSM	67,514	71,662	+4,148	+6.1%	77,535	+5,872	+8.2%
<As reference: Number of Sales>							
Copier	43,807	41,046	-2,761	-6.3%	37,930	-3,116	-7.6%
(of which color copier)	41,942	39,825	-2,117	-5.0%	36,648	-3,177	-8.0%
Server	31,232	32,000	+768	+2.5%	32,063	+83	+0.2%
PC	887,640	1,178,899	+291,259	+32.8%	1,789,884	+610,985	+51.8%
Client Total	927,835	1,222,643	+294,808	+31.8%	1,830,498	+607,855	+49.7%

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

(Millions of yen)

	FY 2018 (Result)	FY 2019 (Result)		FY 2020 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
Net sales	759,871	886,536	+16.7%	864,000	-2.5%
Operating profit	48,058	62,192	+29.4%	63,700	+2.4%
Ordinary profit	49,285	63,706	+29.3%	64,600	+1.4%
Profit*	33,601	43,497	+29.4%	43,530	+0.1%

*Profit attributable to owners of parent

Plans of consolidated Net sales by segments

(Millions of yen)

	FY 2018 (Result)	FY 2019 (Result)		FY 2020 (Plan)	
	Amount	Amount	Change to Last year	Amount	Change to Last year
System Integration	463,293	578,698	+24.9%	543,550	-6.1%
Service and Support	296,577	307,837	+3.8%	320,450	+4.1%