

August 1, 2016

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

(Millions of yen)

	2014 Jan. - Jun.	2015 Jan. - Jun.				2016 Jan. - Jun.						
	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	Consolidated to non-consolidated ratio
Net sales	332,411	317,933	100.0%	-14,477	-4.4%	338,509	100.0%	336,130	100.7%	+20,576	+6.5%	1.09
Gross profit	72,076	71,390	22.5%	-686	-1.0%	73,919	21.8%	-	-	+2,528	+3.5%	1.08
Operating income	24,286	23,173	7.3%	-1,113	-4.6%	23,944	7.1%	24,970	95.9%	+771	+3.3%	1.08
Ordinary income	24,796	23,697	7.5%	-1,099	-4.4%	24,568	7.3%	25,224	97.4%	+871	+3.7%	1.06
Net income*	15,016	14,649	4.6%	-366	-2.4%	15,959	4.7%	15,684	101.8%	+1,310	+8.9%	1.05

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	2014 Jan. - Jun.	2015 Jan. - Jun.				2016 Jan. - Jun.					
	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	308,840	292,326	100.0%	-16,513	-5.3%	310,573	100.0%	309,640	100.3%	+18,247	+6.2%
Gross profit	66,505	65,505	22.4%	-1,000	-1.5%	68,606	22.1%	-	-	+3,100	+4.7%
Operating income	22,011	20,812	7.1%	-1,199	-5.4%	22,222	7.2%	22,920	97.0%	+1,409	+6.8%
Ordinary income	22,632	21,502	7.4%	-1,130	-5.0%	23,177	7.5%	23,460	98.8%	+1,675	+7.8%
Net income	13,849	13,307	4.6%	-542	-3.9%	15,256	4.9%	14,730	103.6%	+1,948	+14.6%

Quarterly change of consolidated Net sales

(Millions of yen)

	FY 2014	FY 2015			FY 2016		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	176,894	159,411	-17,483	-9.9%	171,130	+11,719	+7.4%
2Q (Apr. - Jun.)	155,516	158,522	+3,005	+1.9%	167,379	+8,857	+5.6%
3Q (Jul. - Sept.)	130,799	135,704	+4,904	+3.7%	-	-	-
4Q (Oct. - Dec.)	142,555	155,408	+12,852	+9.0%	-	-	-

Quarterly change of consolidated Ordinary income

(Millions of yen)

	FY 2014	FY 2015			FY 2016		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	12,468	9,502	-2,966	-23.8%	10,360	+858	+9.0%
2Q (Apr. - Jun.)	12,328	14,194	+1,866	+15.1%	14,207	+12	+0.1%
3Q (Jul. - Sept.)	4,529	4,900	+371	+8.2%	-	-	-
4Q (Oct. - Dec.)	8,818	9,642	+824	+9.3%	-	-	-

Consolidated Net sales by segments

(Millions of yen)

	2014 Jan. - Jun.	2015 Jan. - Jun.				2016 Jan. - Jun.			
	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	210,004	190,720	60.0%	-19,283	-9.2%	203,919	60.2%	+13,198	+6.9%
Service and Support business	122,216	127,034	40.0%	+4,817	+3.9%	134,387	39.7%	+7,353	+5.8%
Other business	190	178	0.1%	-11	-6.1%	202	0.1%	+24	+13.5%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		2014 Jan. - Jun.	2015 Jan. - Jun.				2016 Jan. - Jun.			
		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	188,264	166,848	57.1%	-21,415	-11.4%	177,706	57.2%	+10,857	+6.5%
	Service and Support	120,575	125,477	42.9%	+4,902	+4.1%	132,867	42.8%	+7,389	+5.9%
Gross profit	System Integration	36,781	34,753	53.1%	-2,027	-5.5%	36,445	53.1%	+1,691	+4.9%
	Service and Support	29,724	30,751	46.9%	+1,027	+3.5%	32,160	46.9%	+1,408	+4.6%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		2014 Jan. - Jun.	2015 Jan. - Jun.				2016 Jan. - Jun.			
		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	166,368	146,495	50.1%	-19,872	-11.9%	157,166	50.6%	+10,670	+7.3%
	Custom-made software etc.	21,896	20,352	7.0%	-1,543	-7.1%	20,539	6.6%	+186	+0.9%
Service and Support business	Supplies	61,435	64,778	22.2%	+3,343	+5.4%	69,457	22.4%	+4,678	+7.2%
	Maintenance, etc.	59,140	60,698	20.8%	+1,558	+2.6%	63,409	20.4%	+2,710	+4.5%

Consolidated Cash flows (Millions of yen)

	2014	2015	2016
	Jan. - Jun.	Jan. - Jun.	Jan. - Jun.
C/F from operating	34,579	28,649	28,000
C/F from investing	-3,272	-4,018	-3,346
C/F from financing	-7,469	-8,588	-9,533
Cash and cash equivalents at end of period	100,641	113,986	124,708

Consolidated Equity and Interest-bearing debt

	2014	2015	2016
	Jun. 30	Jun. 30	Jun. 30
Equity	151,941	163,856	179,053
Interest-bearing debt	9,702	9,737	9,111
Total assets	313,916	329,245	349,795
Equity ratio	48.4%	49.8%	51.2%
Interest-bearing debt ratio	3.1%	3.0%	2.6%

Non-consolidated Key strategic business

(Millions of yen)

	2014	2015 Jan. - Jun.		2016 Jan. - Jun.			
	Jan. - Jun.	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	65,193	69,383	+4,189	+6.4%	74,913	+5,529	+8.0%
SMILE	6,898	5,988	-910	-13.2%	5,295	-692	-11.6%
ODS21	25,361	26,167	+805	+3.2%	28,620	+2,453	+9.4%
OSM	27,057	30,149	+3,091	+11.4%	36,222	+6,073	+20.1%
<As reference: Number of Sales> (Units)							
Copier	20,583	22,294	+1,711	+8.3%	24,007	+1,713	+7.7%
(of which color copier)	18,372	20,604	+2,232	+12.1%	22,446	+1,842	+8.9%
Server	20,959	21,943	+984	+4.7%	18,425	-3,518	-16.0%
PC	612,596	418,547	-194,049	-31.7%	475,781	+57,234	+13.7%
Client Total					507,800	+64,527	+14.6%

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

(Millions of yen)

	FY 2014	FY 2015		FY 2016	
	(Result)	(Result)	Change to Last year	(Plan)	Change to Last year
Net sales	605,766	609,045	+0.5%	639,000	+4.9%
Operating income	37,097	37,311	+0.6%	40,000	+7.2%
Ordinary income	38,144	38,240	+0.3%	40,500	+5.9%
Net income*	23,455	23,705	+1.1%	25,180	+6.2%

*Profit attributable to owners of parent

Plans of consolidated Net sales by segments

(Millions of yen)

	FY 2014	FY 2015		FY 2016	
	(Result)	(Result)	Change to Last year	(Plan)	Change to Last year
System Integration	362,068	353,170	-2.5%	370,880	+5.0%
Service and Support	243,316	255,490	+5.0%	267,740	+4.8%
Others	381	385	+1.1%	380	-1.5%