

February 1, 2017

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

(Millions of yen)

	FY 2014	FY 2015				FY 2016						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	605,766	609,045	100.0%	+3,279	+0.5%	643,417	100.0%	639,000	100.7%	+34,371	+5.6%	1.10
Gross profit	131,589	134,068	22.0%	+2,478	+1.9%	140,034	21.8%	-	-	+5,966	+4.5%	1.09
Operating income	37,097	37,311	6.1%	+214	+0.6%	39,684	6.2%	40,000	99.2%	+2,372	+6.4%	1.10
Ordinary income	38,144	38,240	6.3%	+95	+0.3%	40,780	6.3%	40,500	100.7%	+2,540	+6.6%	1.09
Net income*	23,455	23,705	3.9%	+250	+1.1%	26,675	4.1%	25,180	105.9%	+2,969	+12.5%	1.08

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	FY 2014	FY 2015				FY 2016					
	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	558,450	559,576	100.0%	+1,125	+0.2%	584,138	100.0%	587,800	99.4%	+24,562	+4.4%
Gross profit	120,802	123,368	22.0%	+2,565	+2.1%	129,008	22.1%	-	-	+5,640	+4.6%
Operating income	33,196	33,677	6.0%	+480	+1.4%	36,109	6.2%	36,700	98.4%	+2,432	+7.2%
Ordinary income	34,293	34,790	6.2%	+497	+1.5%	37,411	6.4%	37,600	99.5%	+2,620	+7.5%
Net income	21,397	21,640	3.9%	+243	+1.1%	24,776	4.2%	23,630	104.9%	+3,135	+14.5%

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%	144,234	+8,529	+6.3%
4Q (Oct. - Dec.)	142,555	155,408	+12,852	+9.0%	160,673	+5,265	+3.4%

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%	5,677	+776	+15.8%
4Q (Oct. - Dec.)	8,818	9,642	+824	+9.3%	10,535	+893	+9.3%

Consolidated Net sales by segments

(Millions of yen)

	FY 2014	FY 2015				FY 2016			
	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	362,068	353,170	58.0%	-8,898	-2.5%	376,391	58.5%	+23,221	+6.6%
Service and Support business	243,316	255,490	41.9%	+12,173	+5.0%	266,625	41.4%	+11,135	+4.4%
Other business	381	385	0.1%	+4	+1.1%	400	0.1%	+15	+3.9%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		FY 2014	FY 2015				FY 2016			
		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	318,544	307,290	54.9%	-11,254	-3.5%	320,621	54.9%	+13,331	+4.3%
	Service and Support	239,905	252,286	45.1%	+12,380	+5.2%	263,517	45.1%	+11,231	+4.5%
Gross profit	System Integration	62,609	62,393	50.6%	-215	-0.3%	65,120	50.5%	+2,726	+4.4%
	Service and Support	58,193	60,974	49.4%	+2,781	+4.8%	63,888	49.5%	+2,913	+4.8%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		FY 2014	FY 2015				FY 2016			
		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	280,410	269,865	48.2%	-10,544	-3.8%	282,400	48.3%	+12,534	+4.6%
	Custom-made software etc.	38,134	37,424	6.7%	-710	-1.9%	38,221	6.5%	+796	+2.1%
Service and Support business	Supplies	121,698	130,137	23.3%	+8,439	+6.9%	135,841	23.3%	+5,703	+4.4%
	Maintenance, etc.	118,207	122,148	21.8%	+3,941	+3.3%	127,675	21.9%	+5,527	+4.5%

Consolidated Cash flows

(Millions of yen)

	FY 2014	FY 2015	FY 2016
C/F from operating	34,130	27,621	23,932
C/F from investing	-5,410	-7,235	-5,823
C/F from financing	-7,580	-8,742	-9,532
Cash and cash equivalents at end of period	97,943	109,587	118,183

Consolidated Equity, Interest-bearing debt, ROE and ROA

(Millions of yen)

	FY 2014	FY 2015	FY 2016
Equity	163,277	173,229	189,851
Interest-bearing debt	9,584	9,344	9,008
Total assets	305,513	324,755	343,821
Equity ratio	53.4%	53.3%	55.2%
Interest-bearing debt ratio	3.1%	2.9%	2.6%
ROE	15.26%	14.09%	14.69%
ROA	12.78%	11.95%	12.02%

Non-consolidated Key strategic business

(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
"tanomail"	128,733	139,106	+10,373	+8.1%	146,046	+6,939	+5.0%
SMILE	11,673	10,479	-1,194	-10.2%	9,774	-705	-6.7%
ODS21	43,575	46,196	+2,620	+6.0%	51,746	+5,550	+12.0%
OSM	50,836	59,831	+8,995	+17.7%	67,937	+8,105	+13.5%
<As reference: Number of Sales>							
	(Units)						
Copier	37,392	41,384	+3,992	+10.7%	44,583	+3,199	+7.7%
(of which color copier)	33,793	38,391	+4,598	+13.6%	42,060	+3,669	+9.6%
Server	39,467	37,718	-1,749	-4.4%	32,917	-4,801	-12.7%
PC	966,600	795,646	-170,954	-17.7%	854,876	+59,230	+7.4%
Client Total		847,320	-149,511	-15.0%	904,393	+57,073	+6.7%

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

(Millions of yen)

	FY 2015 (Result)	FY 2016 (Result)		FY 2017 (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 (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%	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%