April 27, 2018

Outline of business results

Consolidated Net sales and Profits

(Millions of yen)

	1Q 2016		1Q 2	2017		1Q 2018					
	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	Change to Last year	Consolidated to non-consolidated ratio	
Net sales	171,130	180,278	100.0%	+9,147	+5.3%	191,225	100.0%	+10,947	+6.1%	1.11	
Gross profit	34,939	37,940	21.0%	+3,001	+8.6%	38,998	20.4%	+1,058	+2.8%	1.10	
Operating income	10,031	11,744	6.5%	+1,713	+17.1%	11,851	6.2%	+106	+0.9%	1.17	
Ordinary income	10,360	12,131	6.7%	+1,770	+17.1%	12,222	6.4%	+91	+0.8%	1.09	
Net income*	6,496	8,045	4.5%	+1,549	+23.8%	8,064	4.2%	+18	+0.2%	1.04	

*Profit attributable to owners of parent Non-consolidated Net sales and Profits

(Millions of yen)

.011 001130	maatea Net Sales	una i ioi			(IVIIII	ions or yen)				
		1Q 2016		1Q 2017				1Q 2	2018	
		Amount	Amount	Composition	Difference to	Change to	Amount	Composition	Difference to	Change to
		Amount	Amount	Ratio	Last year	Last year	Amount	Ratio	Last year	Last year
Net sa	ales	155,591	161,528	100.0%	+5,936	+3.8%	171,847	100.0%	+10,319	+6.4%
Gross	profit	32,202	34,431	21.3%	+2,229	+6.9%	35,327	20.6%	+895	+2.6%
Opera	ating income	9,074	10,205	6.3%	+1,131	+12.5%	10,095	5.9%	-110	-1.1%
Ordin	ary income	9,814	11,010	6.8%	+1,196	+12.2%	11,205	6.5%	+194	+1.8%
Net in	come	6,335	7,562	4.7%	+1,226	+19.4%	7,744	4.5%	+181	+2.4%

Quarterly change of consolidated Net sales

(Millions of yen)

	FY 2016		FY 2017			FY 2018	
	Amount	Amount	Difference to	Change to	Amount	Difference to	Change to
	Amount	Amount	Last year	Last year	Amount	Last year	Last year
1Q (Jan Mar.)	171,130	180,278	+9,147	+5.3%	191,225	+10,947	+6.1%
2Q (Apr Jun.)	167,379	177,307	+9,927	+5.9%	-	-	-
3Q (Jul Sep.)	144,234	158,943	+14,709	+10.2%	-	-	-
4Q (Oct Dec.)	160,673	174,637	+13,964	+8.7%	-	-	-

Quarterly change of consolidated Ordinary income

(Millions of yen)

	FY 2016	FY 2017				FY 2018	
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan Mar.)	10,360	12,131	+1,770	+17.1%	12,222	+91	+0.8%
2Q (Apr Jun.)	14,207	15,255	+1,048	+7.4%	-	-	-
3Q (Jul Sep.)	5,677	6,667	+990	+17.5%	-	-	-
4Q (Oct Dec.)	10,535	11,404	+869	+8.3%	-	-	-

Consolidated Net sales by segments

(Millions of yen)

	1Q 2016		1Q 2	2017		1Q 2018			
	Amount	Amount	Composition	Difference to	Change to	Amount	Composition	Difference to	Change to
	Amount	Amount Amount Ratio Last year Last	Last year	Amount	Ratio	Last year	Last year		
System Integration business	103,079	109,387	60.7%	+6,308	+6.1%	117,273	61.3%	+7,886	+7.2%
Service and Support business	67,950	70,795	39.3%	+2,844	+4.2%	73,952	38.7%	+3,156	+4.5%
Other business	100	95	0.1%	-4	-4.9%	-	-	-	-

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

				1Q 2	2017			1Q 2018			
_		Amount	Amount	Composition	Difference to	Change to	Amount	Composition	Difference to	Change to	
		Amount	Amount	Ratio	Last year	Last year	Aillouill	Ratio	Last year	Last year	
Net sales	System Integration	88,427	91,495	56.6%	+3,068	+3.5%	98,646	57.4%	+7,150	+7.8%	
iver sales	Service and Support	67,163	70,032	43.4%	+2,868	+4.3%	73,201	42.6%	+3,168	+4.5%	
Cross profit	System Integration	16,310	17,691	51.4%	+1,380	+8.5%	17,831	50.5%	+140	+0.8%	
Gross profit	Service and Support	15,891	16,740	48.6%	+848	+5.3%	17,496	49.5%	+755	+4.5%	

Non-consolidated Net sales by 4 segments

(Millions of yen)

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				1Q 2	2017			1Q 2018			
		Amount	Amount	Composition	Difference to	Change to	Amount	Composition	Difference to	Change to	
		Amount	Amount	Ratio	Last year	Last year	Amount	Ratio	Last year	Last year	
System Integration	SI related products	78,310	80,843	50.0%	+2,532	+3.2%	87,186	50.7%	+6,343	+7.8%	
business	Custom-made software etc.	10,117	10,652	6.6%	+535	+5.3%	11,459	6.7%	+806	+7.6%	
Service and Support	Supplies	35,471	36,820	22.8%	+1,348	+3.8%	37,677	21.9%	+857	+2.3%	
business	Maintenance, etc.	31,691	33,212	20.6%	+1,520	+4.8%	35,523	20.7%	+2,311	+7.0%	

Consolidated Cash flows

(Millions of yen)

	1Q	1Q	1Q
	2016	2017	2018
C/F from operating	6,110	14,396	10,729
C/F from investing	-1,210	-1,343	
C/F from financing	-8,965	-11,436	-13,376
Cash and cash equivalents at end of period	105,521	119,777	132,064

Consolidated Equity and Interest-bearing debt

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	2016	2017	2018
	Mar. 31	Mar. 31	Mar. 31
Equity	169,523	187,019	207,707
Interest-bearing debt	9,824	9,416	8,865
Total assets	338,554	361,730	396,672
Equity ratio	50.1%	51.7%	52.4%
Interest-bearing debt ratio	2.9%	2.6%	2.2%

(Millions of yen)

Non-consolidated Key strategic business

(Millions of yen)

1Q 2016		1Q 2017			1Q 2018				
Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year			
38,366	39,485	+1,118	+2.9%	40,350	+864	+2.2%			
2,197	2,543	+345	+15.7%	2,664	+120	+4.8%			
12,032	14,519	+2,487	+20.7%	14,446	-72	-0.5%			
17,983	17,924	-59	-0.3%	17,860	-64	-0.4%			
of Sales>						(Units)			
10,990	11,975	+985	+9.0%	11,020	-955	-8.0%			
10,139	11,343	+1,204	+11.9%	10,659	-684	-6.0%			
10,295	7,896	-2,399	-23.3%	8,681	+785	+9.9%			
285,920	246,735	-39,185	-13.7%	298,409	+51,674	+20.9%			
304,747	254,853	-49,894	-16.4%	311,450	+56,597	+22.2%			
	1Q 2016 Amount 38,366 2,197 12,032 17,983 of Sales> 10,990 10,139 10,295 285,920	1Q 2016 Amount Amount 38,366 39,485 2,197 2,543 12,032 14,519 17,983 17,924 of Sales> 10,990 11,975 10,139 11,343 10,295 7,896 285,920 246,735	1Q 2016 Amount Amount Difference to Last year 38,366 39,485 +1,118 2,197 2,543 +345 12,032 14,519 +2,487 17,983 17,924 -59 of Sales> 10,990 11,975 +985 10,139 11,343 +1,204 10,295 7,896 -2,399 285,920 246,735 -39,185	1Q 2016 Amount Amount Difference to Last year 38,366 39,485 +11,118 +2.9% 2,197 2,543 +345 +15.7% 12,032 14,519 +2,487 +20.7% 17,983 17,924 -59 -0.3% of Sales> 10,990 11,975 +985 +9.0% 10,139 11,343 +1,204 +11.9% 10,295 7,896 -2,399 -23.3% 285,920 246,735 -39,185 -13.7%	1Q 2017 Amount Amount Difference to Last year 38,366 39,485 +1,118 +2.9% 40,350 2,197 2,543 +345 +15.7% 2,664 12,032 14,519 +2,487 +20.7% 14,446 17,983 17,924 -59 -0.3% 17,860 of Sales> 10,990 11,975 +985 +9.0% 11,020 10,139 11,343 +1,204 +11.9% 10,659 10,295 7,896 -2,399 -23.3% 8,681 285,920 246,735 -39,185 -13.7% 298,409	1Q 2016 1Q 2017 1Q 2018 Amount Amount Amount Difference to Last year Distriction Change to Last year Difference to Last year Amount Difference to Last year Amount Difference to Last year 38,366 39,485 +1,118 +2.9% 40,350 +864 2,197 2,543 +345 +15.7% 2,664 +120 12,032 14,519 +2,487 +20.7% 14,446 -72 17,983 17,924 -59 -0.3% 17,860 -64 of Sales> 10,990 11,975 +985 +9.0% 11,020 -955 10,139 11,343 +1,204 +11.9% 10,659 -684 10,295 7,896 -2,399 -23.3% 8,681 +785 285,920 246,735 -39,185 -13.7% 298,409 +51,674			

Future Plans

Plans of consolidated Net sales and profits

(Millions of yen)

		1H 2018 (Plan)	
Net sales	191,225	372,350	720,000
Operating income	11,851	28,120	47,300
Ordinary income	12,222	28,474	48,000
Net income*	8,064	18,844	31,880

^{*}Profit attributable to owners of parent

Pla	Plans of consolidated Net sales by segments (Millions of										
		FY 2016 FY 2017			FY 2018						
		(Result) (Result)		sult)	(Pl	an)					
		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%	-	-					