

August 2, 2021

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

(Millions of yen)

	2019 Jan. - Jun.	2020 Jan. - Jun.				2021 Jan. - Jun.						
	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	Consolidated to non-consolidated ratio
Net sales	450,154	432,943	100.0%	-17,210	-3.8%	466,625	100.0%	449,950	103.7%	+33,681	+7.8%	1.10
Gross profit	90,882	88,648	20.5%	-2,234	-2.5%	94,279	20.2%	-	-	+5,630	+6.4%	1.09
Operating profit	33,880	30,310	7.0%	-3,569	-10.5%	33,246	7.1%	32,000	103.9%	+2,935	+9.7%	1.13
Ordinary profit	34,710	30,963	7.2%	-3,747	-10.8%	34,245	7.3%	32,500	105.4%	+3,282	+10.6%	1.10
Profit*	23,522	20,789	4.8%	-2,732	-11.6%	23,657	5.1%	21,680	109.1%	+2,867	+13.8%	1.07

*Profit attributable to owners of parent

(Note)Plan announced on February 1, 2021 at the beginning of the term.

Non-consolidated Net sales and Profits

(Millions of yen)

	2019 Jan. - Jun.	2020 Jan. - Jun.				2021 Jan. - Jun.					
	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	407,372	385,699	100.0%	-21,672	-5.3%	423,770	100.0%	403,200	105.1%	+38,070	+9.9%
Gross profit	83,610	81,183	21.0%	-2,426	-2.9%	86,669	20.5%	-	-	+5,485	+6.8%
Operating profit	30,412	26,791	6.9%	-3,620	-11.9%	29,544	7.0%	28,300	104.4%	+2,752	+10.3%
Ordinary profit	31,949	28,528	7.4%	-3,421	-10.7%	31,236	7.4%	29,920	104.4%	+2,707	+9.5%
Profit	22,141	19,784	5.1%	-2,357	-10.6%	22,090	5.2%	20,680	106.8%	+2,306	+11.7%

(Note)Plan announced on February 1, 2021 at the beginning of the term.

Quarterly change of consolidated Net sales

(Millions of yen)

	FY 2019	FY 2020			FY 2021		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	218,681	224,329	+5,647	+2.6%	239,350	+15,021	+6.7%
2Q (Apr. - Jun.)	231,472	208,614	-22,858	-9.9%	227,274	+18,660	+8.9%
3Q (Jul. - Sep.)	216,944	188,274	-28,670	-13.2%	-	-	-
4Q (Oct. - Dec.)	219,437	215,105	-4,331	-2.0%	-	-	-

Quarterly change of consolidated Ordinary profit

(Millions of yen)

	FY 2019	FY 2020			FY 2021		
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
1Q (Jan. - Mar.)	15,087	16,484	+1,397	+9.3%	17,238	+753	+4.6%
2Q (Apr. - Jun.)	19,623	14,478	-5,144	-26.2%	17,007	+2,528	+17.5%
3Q (Jul. - Sep.)	12,677	11,249	-1,428	-11.3%	-	-	-
4Q (Oct. - Dec.)	16,318	15,338	-980	-6.0%	-	-	-

Consolidated Net sales by segments

(Millions of yen)

	2019 Jan. - Jun.	2020 Jan. - Jun.				2021 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	297,956	281,755	65.1%	-16,200	-5.4%	302,246	64.8%	+20,490	+7.3%
Service and Support business	152,198	151,187	34.9%	-1,010	-0.7%	164,379	35.2%	+13,191	+8.7%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		2019 Jan. - Jun.	2020 Jan. - Jun.				2021 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	256,506	235,717	61.1%	-20,788	-8.1%	260,759	61.5%	+25,042	+10.6%
	Service and Support	150,865	149,981	38.9%	-884	-0.6%	163,010	38.5%	+13,028	+8.7%
Gross profit	System Integration	46,598	44,797	55.2%	-1,801	-3.9%	48,011	55.4%	+3,214	+7.2%
	Service and Support	37,011	36,386	44.8%	-625	-1.7%	38,657	44.6%	+2,270	+6.2%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		2019 Jan. - Jun.	2020 Jan. - Jun.				2021 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	229,274	208,872	54.2%	-20,401	-8.9%	232,361	54.8%	+23,489	+11.2%
	Custom-made software etc.	27,231	26,845	7.0%	-386	-1.4%	28,398	6.7%	+1,552	+5.8%
Service and Support business	Supplies	77,291	75,373	19.5%	-1,917	-2.5%	82,491	19.5%	+7,118	+9.4%
	Maintenance, etc.	73,574	74,608	19.3%	+1,033	+1.4%	80,518	19.0%	+5,910	+7.9%

Consolidated Cash flows (Millions of yen)

	2019	2020	2021
	Jan. - Jun.	Jan. - Jun.	Jan. - Jun.
C/F from operating	35,233	40,362	58,938
C/F from investing	-3,429	-4,319	-5,064
C/F from financing	-16,217	-20,481	-21,952
Cash and cash equivalents at end of period	167,178	191,758	210,912

Consolidated Equity and Interest-bearing debt

	2019	2020	2021
	Jun. 30	Jun. 30	Jun. 30
Equity	239,123	258,111	280,215
Interest-bearing debt	9,031	9,120	8,963
Total assets	455,615	462,027	499,159
Equity ratio	52.5%	55.9%	56.1%
Interest-bearing debt ratio	2.0%	2.0%	1.8%

Non-consolidated Key strategic business

(Millions of yen)

	2019	2020 Jan. - Jun.			2021 Jan. - Jun.		
	Jan. - Jun.	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	82,726	79,617	-3,108	-3.8%	88,191	+8,574	+10.8%
SMILE	7,141	5,849	-1,292	-18.1%	6,161	+312	+5.3%
ODS	31,325	27,460	-3,865	-12.3%	29,348	+1,888	+6.9%
OSM	39,025	40,382	+1,357	+3.5%	49,112	+8,729	+21.6%
<As reference: Number of Sales> (Units)							
Copier	22,128	19,000	-3,128	-14.1%	21,533	+2,533	+13.3%
(of which color copier)	21,458	18,475	-2,983	-13.9%	21,078	+2,603	+14.1%
Server	16,734	13,531	-3,203	-19.1%	13,083	-448	-3.3%
PC	871,683	644,871	-226,812	-26.0%	907,975	+263,104	+40.8%
Client Total	894,730	668,661	-226,069	-25.3%	1,046,028	+377,367	+56.4%

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

(Millions of yen)

	FY 2019	FY 2020		FY 2021	
	(Result)	(Result)	Change to Last year	(Plan)	Change to Last year
Net sales	886,536	836,323	-5.7%	881,000	+5.3%
Operating profit	62,192	56,309	-9.5%	59,300	+5.3%
Ordinary profit	63,706	57,550	-9.7%	60,700	+5.5%
Profit*	43,497	39,309	-9.6%	41,500	+5.6%

*Profit attributable to owners of parent

According to plan revised on August 2, 2021

Plans of consolidated Net sales by segments

(Millions of yen)

	FY 2019	FY 2020		FY 2021	
	(Result)	(Result)	Change to Last year	(Plan)	Change to Last year
System Integration	578,698	526,613	-9.0%	552,000	+4.8%
Service and Support	307,837	309,710	+0.6%	329,000	+6.2%

According to plan revised on August 2, 2021