

October 29, 2021

Outline of business results

Consolidated Net sales and Profits

(Millions of yen)

	2019	2020 Jan. - Sep.				2021 Jan. - Sep.				Consolidated to non-consolidated ratio
	Jan. - Sep.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year	
Net sales	667,098	621,217	100.0%	-45,880	-6.9%	652,146	100.0%	+30,928	+5.0%	1.11
Gross profit	133,246	128,820	20.7%	-4,426	-3.3%	132,931	20.4%	+4,111	+3.2%	1.09
Operating profit	46,227	41,314	6.7%	-4,912	-10.6%	42,063	6.5%	+749	+1.8%	1.15
Ordinary profit	47,387	42,212	6.8%	-5,175	-10.9%	43,491	6.7%	+1,279	+3.0%	1.13
Profit*	32,239	28,472	4.6%	-3,767	-11.7%	29,921	4.6%	+1,449	+5.1%	1.10

*Profit attributable to owners of parent

Non-consolidated Net sales and Profits

(Millions of yen)

	2019	2020 Jan. - Sep.				2021 Jan. - Sep.			
	Jan. - Sep.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
Net sales	602,111	554,519	100.0%	-47,592	-7.9%	587,885	100.0%	+33,366	+6.0%
Gross profit	122,497	117,942	21.3%	-4,555	-3.7%	121,487	20.7%	+3,545	+3.0%
Operating profit	41,276	36,376	6.6%	-4,899	-11.9%	36,524	6.2%	+147	+0.4%
Ordinary profit	43,031	38,371	6.9%	-4,660	-10.8%	38,576	6.6%	+205	+0.5%
Profit	29,856	26,619	4.8%	-3,237	-10.8%	27,169	4.6%	+549	+2.1%

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%	185,521	-2,753	-1.5%
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%	9,245	-2,003	-17.8%
4Q (Oct. - Dec.)	16,318	15,338	-980	-6.0%	-	-	-

Consolidated Net sales by segments

(Millions of yen)

	2019	2020 Jan. - Sep.				2021 Jan. - Sep.			
	Jan. - Sep.	Amount	Amount	Composition Ratio	Difference to Last year	Change to Last year	Amount	Composition Ratio	Difference to Last year
System Integration business	437,284	393,182	63.3%	-44,102	-10.1%	407,986	62.6%	+14,803	+3.8%
Service and Support business	229,814	228,035	36.7%	-1,778	-0.8%	244,160	37.4%	+16,125	+7.1%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

	2019	2020 Jan. - Sep.				2021 Jan. - Sep.				
	Jan. - Sep.	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	374,292	328,462	59.2%	-45,830	-12.2%	345,827	58.8%	+17,365	+5.3%
	Service and Support	227,819	226,057	40.8%	-1,761	-0.8%	242,058	41.2%	+16,000	+7.1%
Gross profit	System Integration	67,201	63,406	53.8%	-3,795	-5.6%	64,138	52.8%	+732	+1.2%
	Service and Support	55,296	54,536	46.2%	-759	-1.4%	57,348	47.2%	+2,812	+5.2%

Non-consolidated Net sales by 4 segments

(Millions of yen)

	2019	2020 Jan. - Sep.				2021 Jan. - Sep.				
	Jan. - Sep.	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	334,326	290,924	52.5%	-43,402	-13.0%	307,074	52.2%	+16,150	+5.6%
	Custom-made software etc.	39,965	37,538	6.8%	-2,427	-6.1%	38,753	6.6%	+1,215	+3.2%
Service and Support business	Supplies	117,021	113,124	20.4%	-3,897	-3.3%	121,173	20.6%	+8,049	+7.1%
	Maintenance, etc.	110,797	112,933	20.4%	+2,135	+1.9%	120,884	20.6%	+7,951	+7.0%

Consolidated Cash flows

(Millions of yen)

	2019	2020	2021
	Jan. - Sep.	Jan. - Sep.	Jan. - Sep.
C/F from operating	33,375	29,665	43,928
C/F from investing	-5,789	-7,028	-6,242
C/F from financing	-16,220	-20,986	-21,953
Cash and cash equivalents at end of period	162,957	177,848	194,722

Consolidated Equity and Interest-bearing debt

(Millions of yen)

	2019	2020	2021
	Sep. 30	Sep. 30	Sep. 30
Equity	246,951	266,263	287,540
Interest-bearing debt	8,953	8,949	8,983
Total assets	446,593	448,309	465,313
Equity ratio	55.3%	59.4%	61.8%
Interest-bearing debt ratio	2.0%	2.0%	1.9%

Non-consolidated Key strategic business

(Millions of yen)

	2019	2020 Jan. - Sep.		2021 Jan. - Sep.			
	Jan. - Sep.	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	125,044	119,649	-5,395	-4.3%	129,336	+9,687	+8.1%
SMILE	9,893	8,395	-1,497	-15.1%	8,399	+3	+0.0%
ODS	42,260	38,870	-3,389	-8.0%	40,588	+1,718	+4.4%
OSM	58,390	60,761	+2,371	+4.1%	67,157	+6,396	+10.5%
<As reference: Number of Sales>							
							(Units)
Copier	29,063	26,610	-2,453	-8.4%	27,551	+941	+3.5%
(of which color copier)	28,119	25,913	-2,206	-7.8%	26,941	+1,028	+4.0%
Server	24,351	19,475	-4,876	-20.0%	18,650	-825	-4.2%
PC	1,321,613	910,972	-410,641	-31.1%	1,209,499	+298,527	+32.8%
Client Total	1,352,496	943,381	-409,115	-30.2%	1,362,910	+419,529	+44.5%

Future Plans

Plans of consolidated Net sales and profits

(Millions of yen)

	FY 2019	FY 2020		FY 2021	
	(Result)	(Result)		(Plan)	
	Amount	Amount	Change to Last year	Amount	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