

February 1, 2022

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

(Millions of yen)

	FY2019	FY 2020				FY 2021						
	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	886,536	836,323	100.0%	-50,212	-5.7%	851,894	100.0%	881,000	96.7%	+15,570	+1.9%	1.11
Gross profit	179,999	173,725	20.8%	-6,273	-3.5%	176,890	20.8%	-	-	+3,165	+1.8%	1.09
Operating profit	62,192	56,309	6.7%	-5,882	-9.5%	55,827	6.6%	59,300	94.1%	-481	-0.9%	1.15
Ordinary profit	63,706	57,550	6.9%	-6,155	-9.7%	57,567	6.8%	60,700	94.8%	+16	+0.0%	1.13
Profit*	43,497	39,309	4.7%	-4,187	-9.6%	39,927	4.7%	41,500	96.2%	+618	+1.6%	1.11

*Profit attributable to owners of parent

(Note)According to plan revised on August 2, 2021

Non-consolidated Net sales and Profits

(Millions of yen)

	FY2019	FY 2020				FY 2021					
	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	802,200	750,492	100.0%	-51,707	-6.4%	766,724	100.0%	797,000	96.2%	+16,231	+2.2%
Gross profit	165,529	159,275	21.2%	-6,253	-3.8%	161,844	21.1%	-	-	+2,569	+1.6%
Operating profit	55,632	49,810	6.6%	-5,822	-10.5%	48,654	6.3%	52,600	92.5%	-1,156	-2.3%
Ordinary profit	57,593	52,007	6.9%	-5,586	-9.7%	50,986	6.6%	54,660	93.3%	-1,020	-2.0%
Profit	39,952	36,336	4.8%	-3,615	-9.1%	36,087	4.7%	38,130	94.6%	-249	-0.7%

(Note)According to plan revised on August 2, 2021

Quarterly change of consolidated Net sales

(Millions of yen)

	FY2019	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%	199,747	-15,358	-7.1%

Quarterly change of consolidated Ordinary profit

(Millions of yen)

	FY2019	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%	14,075	-1,262	-8.2%

Consolidated Net sales by segments

(Millions of yen)

	FY2019	FY 2020				FY 2021			
	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	578,698	526,613	63.0%	-52,085	-9.0%	523,609	61.5%	-3,003	-0.6%
Service and Support business	307,837	309,710	37.0%	+1,872	+0.6%	328,284	38.5%	+18,573	+6.0%

Non-consolidated Net sales and Gross profit by segments

(Millions of yen)

		FY2019	FY 2020				FY 2021			
		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	497,038	443,587	59.1%	-53,451	-10.8%	441,320	57.6%	-2,266	-0.5%
	Service and Support	305,161	306,904	40.9%	+1,743	+0.6%	325,403	42.4%	+18,498	+6.0%
Gross profit	System Integration	91,629	85,694	53.8%	-5,934	-6.5%	84,758	52.4%	-935	-1.1%
	Service and Support	73,899	73,580	46.2%	-318	-0.4%	77,085	47.6%	+3,505	+4.8%

Non-consolidated Net sales by 4 segments

(Millions of yen)

		FY2019	FY 2020				FY 2021			
		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	442,620	393,159	52.4%	-49,461	-11.2%	390,621	50.9%	-2,537	-0.6%
	Custom-made software etc.	54,418	50,428	6.7%	-3,989	-7.3%	50,699	6.6%	+270	+0.5%
Service and Support business	Supplies	156,331	154,115	20.5%	-2,215	-1.4%	162,706	21.2%	+8,590	+5.6%
	Maintenance, etc.	148,830	152,789	20.4%	+3,959	+2.7%	162,697	21.2%	+9,907	+6.5%

Consolidated Cash flows

(Millions of yen)

	FY 2019	FY 2020	FY 2021
C/F from operating	48,762	32,496	57,873
C/F from investing	-7,934	-8,716	-9,160
C/F from financing	-16,221	-20,988	-21,957
Cash and cash equivalents at end of period	176,198	178,988	205,746

Consolidated Equity, Interest-bearing debt, ROE and ROA

	FY 2019	FY 2020	FY 2021
Equity	259,328	277,348	298,743
Interest-bearing debt	8,807	8,895	8,851
Total assets	461,812	471,292	486,254
Equity ratio	56.2%	58.8%	61.4%
Interest-bearing debt ratio	1.9%	1.9%	1.8%
ROE	17.79%	14.65%	13.86%
ROA	14.50%	12.19%	11.88%

Non-consolidated Key strategic business

(Millions of yen)

	FY2019	FY 2020		FY 2021			
	Amount	Amount	Difference to Last year	Change to Last year	Amount	Difference to Last year	Change to Last year
"tanomail"	166,649	163,448	-3,201	-1.9%	173,528	+10,080	+6.2%
SMILE	13,241	11,568	-1,673	-12.6%	11,345	-223	-1.9%
ODS	55,798	52,117	-3,681	-6.6%	55,084	+2,967	+5.7%
OSM	77,535	81,847	+4,312	+5.6%	85,769	+3,921	+4.8%
<As reference: Number of Sales>							
(Units)							
Copier	37,930	36,619	-1,311	-3.5%	37,039	+420	+1.1%
(of which color copier)	36,648	35,690	-958	-2.6%	36,249	+559	+1.6%
Server	32,063	25,507	-6,556	-20.4%	24,606	-901	-3.5%
PC	1,789,884	1,537,963	-251,921	-14.1%	1,449,698	-88,265	-5.7%
Client Total	1,830,498	1,638,051	-192,447	-10.5%	1,624,893	-13,158	-0.8%

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

(Millions of yen)

	FY 2020 (Result)	FY 2021 (Result)		FY 2022 (Plan)*2	
	Amount	Amount	Change to Last year	Amount	Change to Last year
Net sales	836,323	851,894	+1.9%	828,000	-2.8%
Operating profit	56,309	55,827	-0.9%	53,600	-4.0%
Ordinary profit	57,550	57,567	+0.0%	54,500	-5.3%
Profit*1	39,309	39,927	+1.6%	36,650	-8.2%

*1 Profit attributable to owners of parent

Plans of consolidated Net sales by segments

(Millions of yen)

	FY 2020 (Result)	FY 2021 (Result)		FY 2022 (Plan)*2	
	Amount	Amount	Change to Last year	Amount	Change to Last year
System Integration	526,613	523,609	-0.6%	514,000	-1.8%
Service and Support	309,710	328,284	+6.0%	314,000	-4.4%

*2 Since the "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29), etc. are applying from the beginning of the fiscal year ending December 31,2022, the above plan reflect the amounts after the application of the accounting standard, etc. However in the calculation for each of percentages, the accounting standard, etc. do not apply to the amounts in the same period of the previous year.

(Reference) Assuming that the accounting standard, etc. applied from the beginning of the fiscal year ending December 31,2021, the rate of changes for Net sales to the same period of the previous year are as follows:

Net sales: +1.2% (System integration: -0.9% , Service and Support: +4.8%)

The application of the accounting standard, etc. have little impact on Operating profit, Ordinary profit, and Profit attributable to owners of parent.