



**TIS**

TIS INTEC Group

Go Beyond

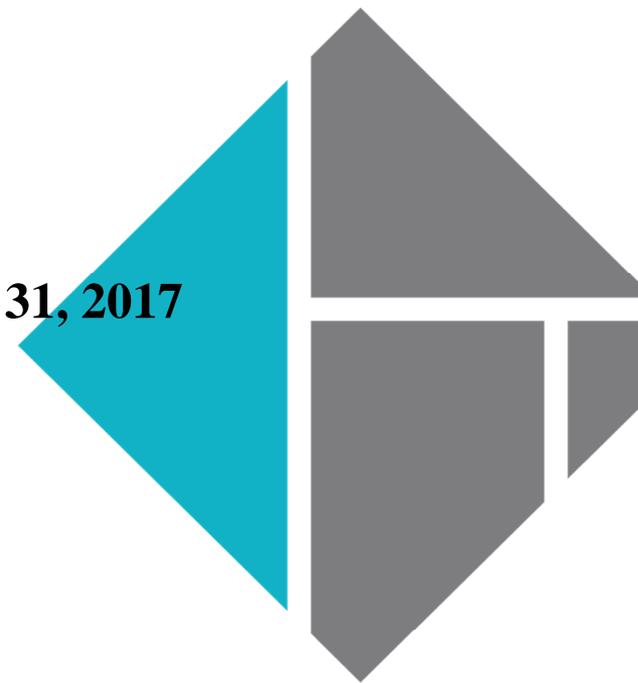
# **Supplementary Financial Data**

## **First Three Quarters of the Fiscal Year ending March 31, 2017**

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February 2, 2017

**TIS Inc.**



1. Financial Summary for Fiscal 2016 (Previous Fiscal Year) and Fiscal 2017 (Current Fiscal Year) [Consolidated]

(1) Performance Summary

(Millions of yen)	FY2016									FY2017							
	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year	
Net sales	85,653	97,030	182,683	87,912	270,595	112,094	200,006	382,689	89,128	99,895	189,023	91,685	280,708				
YOY change	+7.0%	+4.6%	+5.7%	+7.2%	+6.2%	+5.6%	+6.3%	+6.0%	+4.1%	+3.0%	+3.5%	+4.3%	+3.7%				
IT Infrastructure Services	28,917	31,271	60,188	30,038	90,226	33,410	63,448	123,636	29,715	30,900	60,615	30,025	90,640				
Composition	33.8%	32.2%	32.9%	34.2%	33.3%	29.8%	31.7%	32.3%	33.3%	30.9%	32.1%	32.7%	32.3%				
YOY change	+4.4%	+5.7%	+5.1%	+7.3%	+5.8%	+7.6%	+7.5%	+6.3%	+2.8%	-1.2%	+0.7%	-0.0%	+0.5%				
Financial IT Services	16,921	20,432	37,353	18,472	55,825	23,147	41,619	78,972	18,341	21,597	39,938	20,290	60,228				
Composition	19.8%	21.1%	20.4%	21.0%	20.6%	20.6%	20.8%	20.6%	20.6%	21.1%	21.1%	22.1%	21.5%				
YOY change	+3.5%	-7.7%	-3.0%	+2.7%	-1.2%	+3.6%	+3.2%	+0.2%	+8.4%	+5.7%	+6.9%	+9.8%	+7.9%				
Industrial IT Services	37,960	43,745	81,705	37,927	119,632	53,370	91,297	173,002	39,781	45,801	85,582	39,919	125,501				
Composition	44.3%	45.1%	44.7%	43.1%	44.2%	47.6%	45.6%	45.2%	44.6%	45.8%	45.3%	43.5%	44.7%				
YOY change	+10.7%	+9.8%	+10.2%	+10.5%	+10.3%	+3.9%	+6.6%	+8.3%	+4.8%	+4.7%	+4.7%	+5.3%	+4.9%				
Other business	1,854	1,582	3,436	1,475	4,911	2,167	3,642	7,078	1,290	1,597	2,887	1,450	4,337				
Composition	2.2%	1.6%	1.9%	1.7%	1.8%	1.9%	1.8%	1.8%	1.4%	1.6%	1.5%	1.6%	1.5%				
YOY change	+8.4%	+28.2%	+16.7%	-15.3%	+4.8%	+53.5%	+15.5%	+16.1%	-30.4%	+0.9%	-16.0%	-1.7%	-11.7%				
Cost of sales	71,806	78,143	149,949	72,156	222,105	90,048	162,204	312,153	73,303	82,050	155,353	73,504	228,857				
Composition	83.8%	80.5%	82.1%	82.1%	82.1%	80.3%	81.1%	81.6%	82.2%	82.1%	82.2%	80.2%	81.5%				
YOY change	+5.5%	+4.3%	+4.9%	+6.7%	+5.5%	+6.8%	+6.7%	+5.8%	+2.1%	+5.0%	+3.6%	+1.9%	+3.0%				
Gross profit	13,847	18,886	32,733	15,757	48,490	22,045	37,802	70,535	15,824	17,846	33,670	18,181	51,851				
Composition	16.2%	19.5%	17.9%	17.9%	17.9%	19.7%	18.9%	18.4%	17.8%	17.9%	17.8%	19.8%	18.5%				
YOY change	+15.6%	+5.5%	+9.5%	+9.3%	+9.5%	+1.1%	+4.4%	+6.7%	+14.3%	-5.5%	+2.9%	+15.4%	+6.9%				
Selling, general and administrative expenses	11,676	11,684	23,360	10,991	34,351	11,748	22,739	46,099	11,807	12,439	24,246	11,673	35,919				
Composition	13.6%	12.0%	12.8%	12.5%	12.7%	10.5%	11.4%	12.0%	13.2%	12.5%	12.8%	12.7%	12.8%				
YOY change	+3.9%	+6.4%	+5.2%	-2.6%	+2.6%	+2.3%	-0.1%	+2.5%	+1.1%	+6.5%	+3.8%	+6.2%	+4.6%				
Operating income	2,170	7,203	9,373	4,766	14,139	10,297	15,063	24,436	4,017	5,406	9,423	6,508	15,931				
Composition	2.5%	7.4%	5.1%	5.4%	5.2%	9.2%	7.5%	6.4%	4.5%	5.4%	5.0%	7.1%	5.7%				
YOY change	+191.0%	+4.0%	+22.2%	+52.1%	+30.9%	-0.2%	+12.0%	+15.7%	+85.1%	-24.9%	+0.5%	+36.6%	+12.7%				
Non-operating income	1,240	259	1,499	246	1,745	356	602	2,101	884	194	1,078	288	1,366				
Non-operating expenses	385	586	971	464	1,435	581	1,045	2,016	528	447	975	214	1,189				
Recurring profit	3,025	6,875	9,900	4,548	14,448	10,073	14,621	24,521	4,373	5,153	9,526	6,582	16,108				
Composition	3.5%	7.1%	5.4%	5.2%	5.3%	9.0%	7.3%	6.4%	4.9%	5.2%	5.0%	7.2%	5.7%				
YOY change	+191.8%	-1.0%	+24.0%	+59.7%	+33.4%	-3.3%	+10.2%	+15.4%	+44.6%	-25.0%	-3.8%	+44.7%	+11.5%				
Extraordinary income	173	16,805	16,978	70	17,048	1,593	1,663	18,641	0	12	12	1,859	1,871				
Extraordinary loss	277	17,293	17,570	1,511	19,081	2,263	3,774	21,344	174	388	562	202	764				
Income before income taxes	2,921	6,388	9,309	3,106	12,415	9,402	12,508	21,817	4,199	4,778	8,977	8,238	17,215				
Composition	3.4%	-0.0%	5.1%	3.5%	4.6%	8.4%	6.3%	5.7%	4.7%	-0.0%	4.7%	9.0%	6.1%				
YOY change	+175.5%	+8.2%	+33.6%	-	+34.0%	+5.4%	+11.5%	+20.0%	+43.8%	-25.2%	-3.6%	-	+38.7%				
Total income taxes	953	2,591	3,544	1,615	5,159	3,551	5,166	8,710	1,391	1,726	3,117	2,684	5,801				
Net income (loss) attributable to non-controlling interests	7	156	163	-22	141	288	266	429	50	128	178	-16	162				
Net income attributable to owners of the parent company	1,959	3,642	5,601	1,512	7,113	5,565	7,077	12,678	2,757	2,924	5,681	5,570	11,251				
Composition	2.3%	3.8%	3.1%	1.7%	2.6%	3.0%	3.5%	3.3%	3.1%	2.9%	3.0%	6.1%	4.0%				
YOY change	+463.5%	+2.8%	+44.0%	+54.8%	+46.2%	+2.9%	+10.8%	+23.4%	+40.7%	-19.7%	+1.4%	+268.4%	+58.2%				

## (2) Sales by Client Sector

(Millions of yen)	FY2016									FY2017						
	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year
Net sales	85,653	97,030	182,683	87,912	270,595	112,094	200,006	382,689	89,128	99,895	189,023	91,685	280,708			
YOY change	+7.0%	+4.6%	+5.7%	+7.2%	+6.2%	+5.6%	+6.3%	+6.0%	+4.1%	+3.0%	+3.5%	+4.3%	+3.7%			
Credit card	13,477	14,804	28,281	14,265	42,546	16,728	30,993	59,274	14,372	16,653	31,025	15,970	46,995			
Composition	15.7%	15.3%	15.5%	15.7%	15.7%	14.9%	15.5%	15.5%	16.1%	16.7%	16.4%	17.4%	16.7%			
YOY change	+17.0%	-1.0%	+6.8%	+15.4%	+9.6%	+12.1%	+13.6%	+10.3%	+6.6%	+12.5%	+9.7%	+12.0%	+10.5%			
Banking	6,064	7,647	13,711	6,212	19,923	7,944	14,156	27,867	6,697	7,329	14,026	6,151	20,177			
Composition	7.1%	7.9%	7.5%	7.1%	7.4%	7.1%	7.1%	7.3%	7.5%	7.3%	7.4%	6.7%	7.2%			
YOY change	+11.5%	+16.5%	+14.2%	+2.8%	+10.4%	+7.3%	+5.3%	+9.5%	+10.4%	-4.2%	+2.3%	-1.0%	+1.3%			
Insurance	5,933	6,659	12,592	6,405	18,997	7,342	13,747	26,339	5,881	6,605	12,486	6,124	18,610			
Composition	6.9%	6.9%	6.9%	7.3%	7.0%	6.5%	6.9%	6.9%	6.6%	6.6%	6.6%	6.7%	6.6%			
YOY change	+3.6%	+3.3%	+3.4%	+7.5%	+4.8%	+7.3%	+7.4%	+5.5%	-0.9%	-0.8%	-0.8%	-4.4%	-2.0%			
Other finance	4,539	5,474	10,013	4,671	14,684	5,722	10,393	20,406	4,630	5,340	9,970	5,072	15,042			
Composition	5.3%	5.6%	5.5%	5.3%	5.4%	5.1%	5.2%	5.3%	5.2%	5.3%	5.3%	5.5%	5.4%			
YOY change	-15.7%	-9.3%	-12.3%	-9.6%	-11.5%	-14.9%	-12.6%	-12.5%	+2.0%	-2.4%	-0.4%	+8.6%	+2.4%			
Assembly-based manufacturing	10,763	13,196	23,959	11,237	35,196	14,259	25,496	49,455	9,941	11,693	21,634	9,632	31,266			
Composition	12.6%	13.6%	13.1%	12.8%	13.0%	12.7%	12.7%	12.9%	11.7%	11.7%	11.4%	10.5%	11.1%			
YOY change	+3.0%	+9.2%	+6.3%	+14.2%	+8.7%	+6.3%	+9.6%	+8.0%	-7.6%	-11.4%	-9.7%	-14.3%	-11.2%			
Processing-based manufacturing	7,930	8,907	16,837	8,523	25,360	9,701	18,224	35,061	8,595	9,628	18,223	8,288	26,511			
Composition	9.3%	9.2%	9.2%	9.7%	9.4%	8.7%	9.1%	9.2%	9.6%	9.6%	9.6%	9.0%	9.4%			
YOY change	-4.1%	-6.7%	-5.5%	+8.4%	-1.2%	+4.5%	+6.3%	+0.3%	+8.4%	+8.1%	+8.2%	-2.8%	+4.5%			
Distribution	7,671	8,345	16,016	8,041	24,057	8,645	16,686	32,702	7,369	8,403	15,772	7,520	23,292			
Composition	9.0%	8.6%	8.8%	9.1%	8.9%	7.7%	8.3%	8.5%	8.3%	8.4%	8.3%	8.2%	8.3%			
YOY change	+14.0%	+2.0%	+7.4%	+9.5%	+8.1%	-9.2%	-1.1%	-2.9%	-3.9%	+0.7%	-1.5%	-6.5%	-3.2%			
Services	17,848	20,086	37,934	18,369	56,303	23,298	41,667	79,601	19,446	22,003	41,449	21,881	63,330			
Composition	20.8%	20.7%	20.8%	20.9%	20.8%	20.8%	20.8%	20.8%	21.8%	22.0%	21.9%	23.9%	22.6%			
YOY change	+10.4%	-1.6%	+3.7%	-2.1%	+1.7%	+5.0%	+1.7%	+2.7%	+9.0%	+9.5%	+9.3%	+19.1%	+12.5%			
Public institutions	8,171	7,771	15,942	7,047	22,989	13,614	20,661	36,603	8,624	8,124	16,748	7,353	24,101			
Composition	9.5%	8.0%	8.7%	8.0%	8.5%	12.1%	10.3%	9.6%	9.7%	8.1%	8.9%	8.0%	8.6%			
YOY change	+26.5%	+17.3%	+21.8%	+16.3%	+20.1%	+26.7%	+22.9%	+22.5%	+5.5%	+4.5%	+5.1%	+4.3%	+4.8%			
Others	3,251	4,141	7,392	3,144	10,536	4,840	7,984	15,376	3,570	4,116	7,686	3,693	11,379			
Composition	3.8%	4.3%	4.0%	3.6%	3.9%	4.3%	4.0%	4.0%	4.0%	4.1%	4.0%	4.1%	4.1%			
YOY change	-16.7%	+112.1%	+26.2%	+18.6%	+23.9%	-5.1%	+3.0%	+13.0%	+9.8%	-0.6%	+4.0%	+17.5%	+8.0%			

## (3) Sales and Income by Business Segment

(Millions of yen)	FY2016									FY2017						
	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year
Net sales	85,653	97,030	182,683	87,912	270,595	112,094	200,006	382,689	89,128	99,895	189,023	91,685	280,708			
YOY change	+7.0%	+4.6%	+5.7%	+7.2%	+6.2%	+5.6%	+6.3%	+6.0%	+4.1%	+3.0%	+3.5%	+4.3%	+3.7%			
IT Infrastructure Services	29,361	31,740	61,101	30,694	91,795	34,134	64,828	125,929	30,374	31,556	61,930	30,803	92,733			
Composition	34.3%	32.7%	33.4%	34.9%	33.9%	30.5%	32.4%	32.9%	34.1%	31.6%	32.8%	33.6%	33.0%			
YOY change	+4.4%	+5.4%	+4.9%	+7.9%	+5.9%	+8.3%	+8.1%	+6.5%	+3.5%	-0.6%	+1.4%	+0.4%	+1.0%			
Financial IT Services	17,049	20,644	37,693	18,589	56,282	23,237	41,826	79,519	18,404	21,653	40,057	20,342	60,399			
Composition	19.9%	21.3%	20.6%	21.1%	20.8%	20.7%	20.9%	20.8%	20.6%	21.7%	21.2%	22.2%	21.5%			
YOY change	+3.2%	-7.5%	-3.0%	+2.2%	-1.3%	+3.2%	+2.8%	-0.0%	+8.0%	+4.9%	+6.3%	+9.4%	+7.3%			
Industrial IT Services	39,441	45,785	85,226	39,651	124,877	55,123	94,774	180,000	41,925	48,263	90,188	41,917	132,105			
Composition	46.0%	47.2%	46.7%	45.1%	46.1%	49.2%	47.4%	47.0%	47.0%	48.3%	47.7%	45.7%	47.1%			
YOY change	+10.1%	+10.7%	+10.4%	+10.6%	+10.4%	+3.4%	+6.3%	+8.2%	+6.3%	+5.4%	+5.8%	+5.7%	+5.8%			
Other business	4,022	3,666	7,688	3,531	11,219	4,876	8,407	16,095	2,742	3,252	5,994	2,892	8,886			
Composition	4.7%	3.8%	4.2%	4.0%	4.1%	4.3%	4.2%	4.2%	3.1%	3.3%	3.2%	3.2%	3.2%			
YOY change	+3.8%	+7.4%	+5.5%	-4.9%	+2.0%	+33.0%	+14.0%	+9.7%	-31.8%	-11.3%	-22.0%	-18.1%	-20.8%			
Inter-segment elimination/adjustments	-4,221	-4,804	-9,025	-4,555	-13,580	-5,275	-9,830	-18,855	-4,318	-4,829	-9,147	-4,269	-13,416			
Operating income	2,170	7,203	9,373	4,766	14,139	10,297	15,063	24,436	4,017	5,406	9,423	6,508	15,931			
Composition	2.5%	7.4%	5.1%	5.4%	5.2%	9.2%	7.5%	6.4%	4.5%	5.4%	5.0%	7.1%	5.7%			
YOY change	+191.0%	+4.0%	+22.2%	+52.1%	+30.9%	-0.2%	+12.0%	+15.7%	+85.1%	-24.9%	+0.5%	+36.6%	+12.7%			
IT Infrastructure Services	1,087	2,170	3,257	2,458	5,715	3,209	5,667	8,924	2,575	2,604	5,179	2,242	7,421			
Composition	3.7%	6.8%	5.3%	6.2%	6.2%	9.4%	8.7%	7.1%	8.5%	8.3%	8.4%	7.3%	8.0%			
YOY change	-23.3%	+3.7%	-7.2%	+67.6%	+14.8%	+45.7%	+54.5%	+24.3%	+137.0%	+20.0%	+59.0%	-8.8%	+29.9%			
Financial IT Services	463	1,353	1,816	368	2,184	1,177	1,545	3,361	588	-1,115	-527	1,507	980			
Composition	2.7%	6.6%	4.8%	2.0%	3.9%	5.1%	3.7%	4.2%	3.2%	-5.1%	-1.3%	7.4%	1.6%			
YOY change	-29.1%	-34.9%	-33.5%	-57.5%	-39.3%	-39.7%	-45.2%	-39.4%	+26.9%	-	-	+309.5%	-55.1%			
Industrial IT Services	286	3,119	3,405	1,377	4,782	5,190	6,567	9,972	759	3,624	4,383	2,669	7,052			
Composition	0.7%	6.8%	4.0%	3.5%	3.8%	9.4%	6.9%	5.5%	1.8%	7.5%	4.9%	6.4%	5.3%			
YOY change	-	+33.7%	+310.7%	+87.6%	+206.0%	-5.4%	+5.6%	+41.5%	+165.0%	+16.2%	+28.7%	+93.8%	+47.5%			
Other business	459	702	1,161	646	1,807	842	1,488	2,649	230	293	523	236	759			
Composition	11.4%	19.1%	15.1%	18.3%	16.1%	17.3%	17.7%	16.5%	8.4%	9.0%	8.7%	8.2%	8.5%			
YOY change	-10.4%	+10.0%	+1.0%	+57.6%	+15.8%	+40.6%	+47.5%	+22.7%	-49.9%	-58.3%	-55.0%	-63.5%	-58.0%			
Inter-segment elimination/adjustments	-126	-140	-266	-85	-351	-120	-205	-471	-136	1	-135	-146	-281			

Net sales for each segment include intersegment sales.

## (4) Order Status (Software development)

(Millions of yen)	FY2016									FY2017								
	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year		
Orders received during the term	45,279	53,369	98,648	47,076	145,724	61,621	108,697	207,345	51,133	53,437	104,570	46,318	150,888					
YOY change	+8.7%	+11.8%	+10.4%	-10.1%	+2.8%	+6.1%	-1.6%	+3.8%	+12.9%	+0.1%	+6.0%	-1.6%	+3.5%					
Financial IT Services	14,017	18,414	32,431	15,530	47,961	25,900	41,430	73,861	16,271	19,494	35,765	16,476	52,241					
Composition	31.0%	34.5%	32.9%	33.0%	32.9%	42.0%	38.1%	35.6%	31.8%	36.5%	34.2%	35.6%	34.6%					
YOY change	+1.7%	+8.1%	+5.2%	+2.2%	+4.2%	+11.6%	+7.9%	+6.7%	+16.1%	+5.9%	+10.3%	+6.1%	+8.9%					
Industrial IT Services	31,262	34,955	66,217	31,546	97,763	35,720	67,266	133,483	34,861	33,943	68,804	29,843	98,647					
Composition	69.0%	65.5%	67.1%	67.0%	67.1%	58.0%	61.9%	64.4%	68.2%	63.5%	65.8%	64.4%	65.4%					
YOY change	+12.2%	+13.9%	+13.1%	-15.1%	+2.1%	+2.4%	-6.6%	+2.2%	+11.5%	-2.9%	+3.9%	-5.4%	+0.9%					
Order backlog at period-end	72,279	73,041	73,041	72,763	72,763	69,961	69,961	69,961	74,093	72,691	72,691	69,811	69,811					
YOY change	+17.6%	+19.7%	+19.7%	+2.3%	+2.3%	-1.6%	-1.6%	-1.6%	+2.5%	-0.5%	-0.5%	-4.1%	-4.1%					
Financial IT Services	22,333	22,617	22,617	21,213	21,213	25,796	25,796	25,796	25,046	25,172	25,172	23,898	23,898					
Composition	30.9%	31.0%	31.0%	29.2%	29.2%	36.9%	36.9%	36.9%	33.8%	34.6%	34.6%	34.2%	34.2%					
YOY change	-2.6%	+6.6%	+6.6%	+2.8%	+2.8%	+7.6%	+7.6%	+7.6%	+12.1%	+11.3%	+11.3%	+12.7%	+12.7%					
Industrial IT Services	49,945	50,424	50,424	51,549	51,549	44,164	44,164	44,164	49,046	47,518	47,518	45,912	45,912					
Composition	69.1%	69.0%	69.0%	70.8%	70.8%	63.1%	63.1%	63.1%	66.2%	65.4%	65.4%	65.8%	65.8%					
YOY change	+29.6%	+26.7%	+26.7%	+2.1%	+2.1%	-6.3%	-6.3%	-6.3%	-1.8%	-5.8%	-5.8%	-10.9%	-10.9%					

## (5) Other

(Millions of yen)	FY2016									FY2017								
	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year	1st quarter	2nd quarter	1st half	3rd quarter	Three quarters	4th quarter	2nd half	Full year		
Capital expenditures	2,023	3,645	5,668	3,082	8,750	5,460	8,542	14,210	3,259	4,666	7,925	3,120	11,045					
Depreciation	3,110	3,100	6,210	2,807	9,017	2,935	5,742	11,952	2,732	2,914	5,646	3,020	8,666					
Research and development expenses	251	281	532	280	812	274	554	1,086	221	356	577	292	869					
Amortization of goodwill	91	108	199	70	269	70	140	339	69	79	148	95	243					
Goodwill balance at the end of the term	2,457	1,552	1,552	1,462	1,462	1,393	1,393	1,393	1,666	1,556	1,556	1,484	1,484					
Number of Employees at the end of the term	19,454	19,758	19,758	19,604	19,604	19,393	19,393	19,393	19,935	19,860	19,860	19,720	19,720					

Goodwill amortization and balance at the end of the period in review included goodwill associated with intangible assets acknowledged in accordance with revised Accounting Standard for Business Combinations.

2. Financial Summary of Third Quarter Results and First Three Quarters [Consolidated]

(1) Performance Summary

(Millions of yen)	3rd quarter						First three quarters					
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Net sales	70,914	73,589	75,082	82,036	87,912	91,685	225,596	236,112	238,447	254,887	270,595	280,708
YOY change	+1.3%	+3.8%	+2.0%	+9.3%	+7.2%	+4.3%	+0.7%	+4.7%	+1.0%	+6.9%	+6.2%	+3.7%
IT Infrastructure Services	25,787	26,267	27,337	27,986	30,038	30,025	79,950	80,381	83,235	85,272	90,226	90,640
Composition	36.4%	35.7%	36.4%	34.1%	34.2%	32.7%	35.4%	34.0%	34.9%	33.5%	33.3%	32.3%
YOY change	-2.1%	+1.9%	+4.1%	+2.4%	+7.3%	-0.0%	-1.2%	+0.5%	+3.6%	+2.4%	+5.8%	+0.5%
Financial IT Services	14,491	16,045	16,184	17,990	18,472	20,290	46,579	49,092	51,947	56,484	55,825	60,228
Composition	20.4%	21.8%	21.6%	21.9%	21.0%	22.1%	20.6%	20.8%	21.8%	22.2%	20.6%	21.5%
YOY change	+0.8%	+10.7%	+0.9%	+11.2%	+2.7%	+9.8%	-5.3%	+5.4%	+5.8%	+8.7%	-1.2%	+7.9%
Industrial IT Services	28,942	29,518	30,212	34,318	37,927	39,919	93,931	101,124	97,692	108,444	119,632	125,501
Composition	40.8%	40.1%	40.2%	41.8%	43.1%	43.5%	41.6%	42.8%	41.0%	42.5%	44.2%	44.7%
YOY change	+5.5%	+2.0%	+2.4%	+13.6%	+10.5%	+5.3%	+6.4%	+7.7%	-3.4%	+11.0%	+10.3%	+4.9%
Other business	1,695	1,760	1,349	1,741	1,475	1,450	5,135	5,514	5,572	4,685	4,911	4,337
Composition	2.4%	2.4%	1.8%	2.1%	1.7%	1.6%	2.3%	2.3%	2.3%	1.8%	1.8%	1.5%
YOY change	-8.5%	+3.8%	-23.4%	+29.1%	-15.3%	-1.7%	-8.2%	+7.4%	+1.1%	-15.9%	+4.8%	-11.7%
Outsourcing and network	-	-	-	-	-	-	-	-	-	-	-	-
Composition	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-	-	-	-	-	-	-	-	-	-
Software development	-	-	-	-	-	-	-	-	-	-	-	-
Composition	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-	-	-	-	-	-	-	-	-	-
Solution services	-	-	-	-	-	-	-	-	-	-	-	-
Composition	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-	-	-	-	-	-	-	-	-	-
Other business	-	-	-	-	-	-	-	-	-	-	-	-
Composition	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-	-	-	-	-	-	-	-	-	-
Cost of sales	59,553	62,929	63,645	67,622	72,156	73,504	187,084	196,774	197,901	210,593	222,105	228,857
Composition	84.0%	85.5%	84.8%	82.4%	82.1%	80.2%	82.9%	83.3%	83.0%	82.6%	82.1%	81.5%
YOY change	+2.1%	+5.7%	+1.1%	+6.2%	+6.7%	+1.9%	+2.1%	+5.2%	+0.6%	+6.4%	+5.5%	+3.0%
Gross profit	11,361	10,659	11,436	14,414	15,757	18,181	38,511	39,337	40,545	44,294	48,490	51,851
Composition	16.0%	14.5%	15.2%	17.6%	17.9%	19.8%	17.1%	16.7%	17.0%	17.4%	17.9%	18.5%
YOY change	-2.6%	-6.2%	+7.3%	+26.0%	+9.3%	+15.4%	-5.5%	+2.1%	+3.1%	+9.2%	+9.5%	+6.9%
Selling, general and administrative expenses	11,240	10,170	10,701	11,280	10,991	11,673	33,706	31,596	32,157	33,490	34,351	35,919
Composition	15.9%	13.8%	14.3%	13.8%	12.5%	12.7%	14.9%	13.4%	13.5%	13.1%	12.7%	12.8%
YOY change	-8.6%	-9.5%	+5.2%	+5.4%	-2.6%	+6.2%	-8.2%	-6.3%	+1.8%	+4.1%	+2.6%	+4.6%
Operating income	121	490	736	3,133	4,766	6,508	4,804	7,741	8,388	10,803	14,139	15,931
Composition	0.2%	0.7%	1.0%	3.8%	5.4%	7.1%	2.1%	3.3%	3.5%	4.2%	5.2%	5.7%
YOY change	-	+305.0%	+50.2%	+325.7%	+52.1%	+36.6%	+18.8%	+61.1%	+8.4%	+28.8%	+30.9%	+12.7%
Recurring profit	72	-83	392	2,848	4,548	6,582	4,751	6,995	8,251	10,829	14,448	16,108
Composition	0.1%	-0.1%	0.5%	3.5%	5.2%	7.2%	2.1%	3.0%	3.5%	4.2%	5.3%	5.7%
YOY change	-	-	-	+626.5%	+59.7%	+44.7%	+21.4%	+47.2%	+18.0%	+31.2%	+33.4%	+11.5%
Net income (loss) attributable to owners of the parent company	-2,260	-348	-646	977	1,512	5,570	-3,729	2,671	3,211	4,866	4,866	7,113
Composition	-3.2%	-0.5%	-0.9%	1.2%	1.7%	6.1%	-1.7%	1.1%	1.3%	1.9%	1.9%	2.6%
YOY change	-	-	-	-	+54.8%	+268.4%	-	-	+20.2%	+51.5%	+51.5%	+46.2%

## (2) Sales by Client Sector

(Millions of yen)	3rd quarter						First three quarters					
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Net sales	70,914	73,589	75,082	82,036	87,912	91,685	225,596	236,112	238,447	254,887	270,595	280,708
YOY change	+1.3%	+3.8%	+2.0%	+9.3%	+7.2%	+4.3%	+0.7%	+4.7%	+1.0%	+6.9%	+6.2%	+3.7%
Credit card	9,305	10,400	10,623	12,357	14,265	15,970	30,189	34,040	34,768	38,827	42,546	46,995
Composition	13.1%	14.1%	14.1%	15.1%	16.2%	17.4%	13.4%	14.4%	14.6%	15.2%	15.7%	16.7%
YOY change	-13.8%	+11.8%	+2.1%	+16.3%	+15.4%	+12.0%	-19.2%	+12.8%	+2.1%	+11.7%	+9.6%	+10.5%
Banking	5,834	5,992	6,384	6,041	6,212	6,151	18,510	18,365	20,096	18,043	19,923	20,177
Composition	8.2%	8.1%	8.5%	7.4%	7.1%	6.7%	8.2%	7.8%	8.4%	7.1%	7.4%	7.2%
YOY change	-4.6%	+2.7%	+6.5%	-5.4%	+2.8%	-1.0%	+1.0%	-0.8%	+9.4%	-10.2%	+10.4%	+1.3%
Insurance	5,240	5,803	6,201	5,956	6,405	6,124	16,650	16,977	18,445	18,129	18,997	18,610
Composition	7.4%	7.9%	8.3%	7.3%	7.3%	6.7%	7.4%	7.2%	7.7%	7.1%	7.0%	6.6%
YOY change	-2.8%	+10.7%	+6.9%	-4.0%	+7.5%	-4.4%	-2.0%	+2.0%	+8.6%	-1.7%	+4.8%	-2.0%
Other finance	5,156	5,374	5,434	5,165	4,671	5,072	16,214	16,088	17,115	16,588	14,684	15,042
Composition	7.3%	7.3%	7.2%	6.3%	5.3%	5.5%	7.2%	6.8%	7.2%	6.5%	5.4%	5.4%
YOY change	+23.4%	+4.2%	+1.1%	-5.0%	-9.6%	+8.6%	+20.2%	-0.8%	+6.4%	-3.1%	-11.5%	+2.4%
Assembly-based manufacturing	8,229	8,281	8,767	9,842	11,237	9,632	28,095	27,156	28,707	32,374	35,196	31,266
Composition	11.6%	11.3%	11.7%	12.0%	12.8%	10.5%	12.5%	11.5%	12.0%	12.7%	13.0%	11.1%
YOY change	-14.4%	+0.6%	+5.9%	+12.3%	+14.2%	-14.3%	-11.1%	-3.3%	+5.7%	+12.8%	+8.7%	-11.2%
Processing-based manufacturing	7,586	8,437	7,258	7,864	8,523	8,288	22,314	28,358	23,734	25,679	25,360	26,511
Composition	10.7%	11.5%	9.7%	9.6%	9.7%	9.0%	9.9%	12.0%	10.0%	10.1%	9.4%	9.4%
YOY change	+29.6%	+11.2%	-14.0%	+8.3%	+8.4%	-2.8%	+18.2%	+27.1%	-16.3%	+8.2%	-1.2%	+4.5%
Distribution	5,845	6,385	6,101	7,345	8,041	7,520	18,490	19,124	19,676	22,253	24,057	23,292
Composition	8.2%	8.7%	8.1%	9.0%	9.1%	8.2%	8.2%	8.1%	8.3%	8.7%	8.9%	8.3%
YOY change	+18.4%	+9.2%	-4.4%	+20.4%	+9.5%	-6.5%	+13.6%	+3.4%	+2.9%	+13.1%	+8.1%	-3.2%
Services	15,210	15,755	16,145	18,760	18,369	21,881	47,262	51,140	49,781	55,343	56,303	63,330
Composition	21.4%	21.4%	21.5%	22.9%	20.9%	23.9%	20.9%	21.7%	20.9%	21.7%	20.8%	22.6%
YOY change	+1.9%	+3.6%	+2.5%	+16.2%	-2.1%	+19.1%	-0.8%	+8.2%	-2.7%	+11.2%	+1.7%	+12.5%
Public institutions	5,342	4,817	5,497	6,057	7,047	7,353	19,465	17,352	17,998	19,142	22,989	24,101
Composition	7.5%	6.5%	7.3%	7.4%	8.0%	8.0%	8.6%	7.3%	7.5%	7.5%	8.5%	8.6%
YOY change	-3.2%	-9.8%	+14.1%	+10.2%	+16.3%	+4.3%	+13.2%	-10.9%	+3.7%	+6.4%	+20.1%	+4.8%
Others	3,167	2,344	2,672	2,650	3,144	3,693	8,402	7,507	8,123	8,506	10,536	11,379
Composition	4.5%	3.2%	3.6%	3.2%	3.6%	4.0%	3.7%	3.2%	3.4%	3.3%	3.9%	4.1%
YOY change	+19.7%	-26.0%	+14.0%	-0.8%	+18.6%	+17.5%	+35.6%	-10.7%	+8.2%	+4.7%	+23.9%	+8.0%

## (3) Sales and Income by Business Segment

(Millions of yen)	3rd quarter						First three quarters					
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Net sales	70,914	73,589	75,082	82,036	87,912	91,685	225,596	236,112	238,447	254,887	270,595	280,708
YOY change	+1.3%	+3.8%	+2.0%	+9.3%	+7.2%	+4.3%	+0.7%	+4.7%	+1.0%	+6.9%	+6.2%	+3.7%
IT Infrastructure Services	26,185	26,774	27,752	28,438	30,694	30,803	81,365	81,865	84,608	86,673	91,795	92,733
Composition	36.9%	36.4%	37.0%	34.7%	34.9%	33.6%	36.1%	34.7%	35.5%	34.0%	33.9%	33.0%
YOY change	-2.1%	+2.2%	+3.7%	+2.5%	+7.9%	+0.4%	-1.1%	+0.6%	+3.4%	+2.4%	+5.9%	+1.0%
Financial IT Services	14,564	16,162	16,323	18,187	18,589	20,342	46,797	49,457	52,406	57,026	56,282	60,399
Composition	20.5%	22.0%	21.7%	22.2%	21.1%	22.2%	20.7%	20.9%	22.0%	22.4%	20.8%	21.5%
YOY change	+1.2%	+11.0%	+1.0%	+11.4%	+2.2%	+9.4%	-5.0%	+5.7%	+6.0%	+8.8%	-1.3%	+7.3%
Industrial IT Services	30,496	31,093	32,192	35,865	39,651	41,917	99,680	105,776	103,184	113,070	124,877	132,105
Composition	43.0%	42.3%	42.9%	43.7%	45.1%	45.7%	44.2%	44.8%	43.3%	44.4%	46.1%	47.1%
YOY change	+5.1%	+2.0%	+3.5%	+11.4%	+10.6%	+5.7%	+6.8%	+6.1%	-2.4%	+9.6%	+10.4%	+5.8%
Other business	3,712	3,885	3,583	3,711	3,531	2,892	11,435	12,287	12,344	11,001	11,219	8,886
Composition	5.2%	5.3%	4.8%	4.5%	4.0%	3.2%	5.1%	5.2%	5.2%	4.3%	4.1%	3.2%
YOY change	-7.0%	+4.7%	-7.8%	+3.6%	-4.9%	-18.1%	-7.1%	+7.5%	+0.5%	-10.9%	+2.0%	-20.8%
Inter-segment elimination/adjustments	-4,043	-4,324	-4,770	-4,166	-4,555	-4,269	-13,682	-13,272	-14,097	-12,884	-13,580	-13,416
Operating income	121	490	736	3,133	4,766	6,508	4,804	7,741	8,388	10,803	14,139	15,931
Composition	0.2%	0.7%	1.0%	3.8%	5.4%	7.1%	2.1%	3.3%	3.5%	4.2%	5.2%	5.7%
YOY change	-	+305.0%	+50.2%	+325.7%	+52.1%	+36.6%	+18.8%	+61.1%	+8.4%	+28.8%	+30.9%	+12.7%
IT Infrastructure Services	1,829	1,111	1,577	1,467	2,458	2,242	5,469	4,483	5,123	4,977	5,715	7,421
Composition	7.0%	4.1%	5.7%	5.2%	8.0%	7.3%	6.7%	5.5%	6.1%	5.7%	6.2%	8.0%
YOY change	+8.4%	-39.3%	+41.9%	-7.0%	+67.6%	-8.8%	-1.5%	-18.0%	+14.3%	-2.8%	+14.8%	+29.9%
Financial IT Services	-554	510	545	865	368	1,507	665	2,580	3,391	3,597	2,184	980
Composition	-3.8%	3.2%	3.3%	4.8%	2.0%	7.4%	1.4%	5.2%	6.5%	6.3%	3.9%	1.6%
YOY change	-	-	+6.9%	+58.7%	-57.5%	+309.5%	-58.0%	+288.0%	+31.4%	+6.1%	-39.3%	-55.1%
Industrial IT Services	-1,300	-1,243	-1,555	734	1,377	2,669	-1,678	507	-687	1,563	4,782	7,052
Composition	-4.3%	-4.0%	-4.8%	2.0%	3.5%	6.4%	-1.7%	0.5%	-0.7%	1.4%	3.8%	5.3%
YOY change	-	-	-	-	+87.6%	+93.8%	-	-	-	-	+206.0%	+47.5%
Other business	559	537	477	410	646	236	1,650	1,598	1,583	1,560	1,807	759
Composition	15.1%	13.8%	13.3%	11.0%	18.3%	8.2%	14.4%	13.0%	12.8%	14.2%	16.1%	8.5%
YOY change	+90.8%	-3.9%	-11.2%	-14.0%	+57.6%	-63.5%	+76.3%	-3.2%	-0.9%	-1.5%	+15.8%	-58.0%
Inter-segment elimination/adjustments	-415	-426	-307	-343	-85	-146	-1,303	-1,429	-1,022	-895	-351	-281

Net sales for each segment include intersegment sales.

## (4) Order Status (Software development)

(Millions of yen)	3rd quarter						First three quarters					
	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
Orders received during the term	41,082	33,948	36,896	52,362	47,076	46,318	130,270	128,181	123,144	141,747	145,724	150,888
YOY change	+5.3%	-17.4%	+8.7%	+41.9%	-10.1%	-1.6%	+10.8%	-1.6%	-3.9%	+15.1%	+2.8%	+3.5%
Financial IT Services	15,417	11,870	12,645	15,203	15,530	16,476	43,574	43,933	43,458	46,019	47,961	52,241
Composition	37.5%	35.0%	34.3%	29.0%	33.0%	35.6%	33.4%	34.3%	35.3%	32.5%	32.9%	34.6%
YOY change	+1.4%	-23.0%	+6.5%	+20.2%	+2.2%	+6.1%	+5.1%	+0.8%	-1.1%	+5.9%	+4.2%	+8.9%
Industrial IT Services	25,665	22,079	24,252	37,159	31,546	29,843	86,695	84,248	79,686	95,727	97,763	98,647
Composition	62.5%	65.0%	65.7%	71.0%	67.0%	64.4%	66.6%	65.7%	64.7%	67.5%	67.1%	65.4%
YOY change	+7.9%	-14.0%	+9.8%	+53.2%	-15.1%	-5.4%	+13.9%	-2.8%	-5.4%	+20.1%	+2.1%	+0.9%
Order backlog at period-end	67,270	69,969	69,665	71,131	72,763	69,811	67,270	69,969	69,665	71,131	72,763	69,811
YOY change	+16.2%	+4.0%	-0.4%	+2.1%	+2.3%	-4.1%	+16.2%	+4.0%	-0.4%	+2.1%	+2.3%	-4.1%
Financial IT Services	23,466	26,301	23,610	20,640	21,213	23,898	23,466	26,301	23,610	20,640	21,213	23,898
Composition	34.9%	37.6%	33.9%	29.0%	29.2%	34.2%	34.9%	37.6%	33.9%	29.0%	29.2%	34.2%
YOY change	+6.9%	+12.1%	-10.2%	-12.6%	+2.8%	+12.7%	+6.9%	+12.1%	-10.2%	-12.6%	+2.8%	+12.7%
Industrial IT Services	43,804	43,668	46,055	50,491	51,549	45,912	43,804	43,668	46,055	50,491	51,549	45,912
Composition	65.1%	62.4%	66.1%	71.0%	70.8%	65.8%	65.1%	62.4%	66.1%	71.0%	70.8%	65.8%
YOY change	+21.8%	-0.3%	+5.5%	+9.6%	+2.1%	-10.9%	+21.8%	-0.3%	+5.5%	+9.6%	+2.1%	-10.9%

### 3. Nine-Year Summary [Consolidated]

#### (1) Performance Summary

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017	
	1st half	Full Year (Plan)																
Net sales	163,426	338,302	146,954	313,856	154,009	323,173	154,682	327,417	162,523	337,834	163,365	346,647	172,851	361,025	182,683	382,689	189,023	390,000
YOY change	-	-	-10.1%	-7.2%	+4.8%	+3.0%	+0.4%	+1.3%	+5.1%	+3.2%	+0.5%	+2.6%	+5.8%	+4.1%	+5.7%	+6.0%	+3.5%	+1.9%
IT Infrastructure Services	-	-	-	-	54,584	109,092	54,163	109,234	54,114	110,076	55,898	113,407	57,286	116,308	60,188	123,636	60,615	122,700
Composition	-	-	-	-	35.4%	33.8%	35.0%	33.4%	33.3%	32.6%	34.2%	32.7%	33.1%	32.2%	32.9%	32.3%	32.1%	31.5%
YOY change	-	-	-	-	-	-	-0.8%	+0.1%	-0.1%	+0.8%	+3.3%	+3.0%	+2.5%	+2.6%	+5.1%	+6.3%	+0.7%	-0.8%
Financial IT Services	-	-	-	-	34,821	72,550	32,088	69,659	33,047	70,994	35,763	74,561	38,494	78,827	37,353	78,972	39,938	81,400
Composition	-	-	-	-	22.6%	22.4%	20.7%	21.3%	20.3%	21.0%	21.9%	21.5%	22.3%	21.8%	20.4%	20.6%	21.1%	20.9%
YOY change	-	-	-	-	-	-	-7.8%	-4.0%	+3.0%	+1.9%	+8.2%	+5.0%	+7.6%	+5.7%	-3.0%	+0.2%	+6.9%	+3.1%
Industrial IT Services	-	-	-	-	60,860	134,327	64,989	141,862	71,606	149,565	67,480	151,322	74,126	159,791	81,705	173,002	85,582	179,200
Composition	-	-	-	-	39.5%	41.6%	42.0%	43.3%	44.1%	44.3%	41.3%	43.7%	42.9%	44.3%	44.7%	45.2%	45.3%	45.9%
YOY change	-	-	-	-	-	-	+6.8%	+5.6%	+10.2%	+5.4%	-5.8%	+1.2%	+9.8%	+5.6%	+10.2%	+4.3%	+4.7%	+3.6%
Other business	-	-	-	-	3,743	7,202	3,440	6,661	3,754	7,196	4,223	7,355	2,944	6,097	3,436	7,078	2,887	6,700
Composition	-	-	-	-	2.4%	2.2%	2.2%	2.0%	2.3%	2.1%	2.6%	2.1%	1.7%	1.7%	1.9%	1.8%	1.5%	1.7%
YOY change	-	-	-	-	-	-	-8.1%	-7.5%	+9.1%	+8.0%	+12.5%	+2.2%	-30.3%	-17.1%	+16.7%	+16.1%	-16.0%	-5.3%
Outsourcing and network	60,793	125,721	61,623	126,164	62,322	124,496	-	-	-	-	-	-	-	-	-	-	-	-
Composition	37.2%	37.2%	41.9%	40.2%	40.5%	38.5%	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	+1.4%	+0.4%	+1.1%	-1.3%	-	-	-	-	-	-	-	-	-	-	-	-
Software development	82,001	175,847	70,308	155,976	76,551	163,889	-	-	-	-	-	-	-	-	-	-	-	-
Composition	50.2%	52.0%	47.8%	49.7%	49.7%	50.7%	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-14.3%	-11.3%	+8.9%	+5.1%	-	-	-	-	-	-	-	-	-	-	-	-
Solution services	14,913	29,409	11,798	25,021	11,292	27,183	-	-	-	-	-	-	-	-	-	-	-	-
Composition	9.1%	8.7%	8.0%	8.0%	7.3%	8.4%	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-20.9%	-14.9%	-4.3%	+8.6%	-	-	-	-	-	-	-	-	-	-	-	-
Other business	5,717	7,325	3,224	6,693	3,843	7,604	-	-	-	-	-	-	-	-	-	-	-	-
Composition	3.5%	2.2%	2.2%	2.1%	2.5%	2.4%	-	-	-	-	-	-	-	-	-	-	-	-
YOY change	-	-	-43.6%	-8.6%	+19.2%	+13.6%	-	-	-	-	-	-	-	-	-	-	-	-
Cost of sales	133,812	272,944	119,987	254,827	124,915	261,145	127,531	266,159	133,845	276,935	134,256	283,881	142,971	294,927	149,949	312,153	155,353	-
Composition	81.9%	80.7%	81.6%	81.2%	81.1%	80.8%	82.4%	81.3%	82.4%	82.0%	82.2%	81.9%	82.7%	81.7%	82.1%	81.6%	82.2%	-
YOY change	-	-	-10.3%	-6.6%	+4.1%	+2.5%	+2.1%	+1.9%	+5.0%	+4.0%	+0.3%	+2.5%	+6.5%	+3.9%	+4.9%	+3.8%	+3.6%	-
Gross profit	29,614	65,357	26,967	59,029	29,094	62,027	27,150	61,258	28,678	60,899	29,109	62,766	29,880	66,097	32,733	70,535	33,670	-
Composition	18.1%	19.3%	18.4%	18.8%	18.9%	19.2%	17.6%	18.7%	17.6%	18.0%	17.8%	18.3%	17.3%	18.3%	17.9%	18.4%	17.8%	-
YOY change	-	-	-8.9%	-9.7%	+7.9%	+5.1%	-6.7%	-1.2%	+5.6%	-0.6%	+1.5%	+3.1%	+2.6%	+5.3%	+9.5%	+6.7%	+2.9%	-
Selling, general and administrative expenses	20,213	41,569	21,162	43,032	24,426	49,209	22,466	45,636	21,426	42,727	21,456	43,255	22,210	44,976	23,360	46,099	24,246	-
Composition	12.4%	12.3%	14.4%	13.7%	15.9%	15.2%	14.5%	13.9%	13.2%	12.6%	13.1%	12.5%	12.8%	12.5%	12.8%	12.0%	12.8%	-
YOY change	-	-	+4.7%	+3.5%	+15.4%	+14.4%	-8.0%	-7.3%	-4.6%	-6.4%	+0.1%	+1.2%	+3.5%	+4.0%	+5.2%	+2.5%	+3.8%	-
Operating income	9,400	23,787	5,805	15,996	4,667	12,818	4,683	15,621	7,251	18,171	7,652	19,510	7,670	21,121	9,373	24,436	9,423	26,500
Composition	5.8%	7.0%	4.0%	5.1%	3.0%	4.0%	3.0%	4.8%	4.5%	5.4%	4.7%	5.6%	4.4%	5.9%	5.1%	6.4%	5.0%	6.8%
YOY change	-	-	-38.2%	-32.8%	-19.6%	-19.9%	+0.3%	+21.9%	+54.8%	+16.3%	+5.5%	+7.4%	+0.2%	+8.3%	+22.2%	+15.7%	+0.5%	+8.4%
Recurring profit	9,479	23,604	5,792	15,719	4,762	12,625	4,679	15,393	7,078	17,440	7,859	18,971	7,981	21,251	9,900	24,521	9,526	26,000
Composition	5.8%	7.0%	3.9%	5.0%	3.1%	3.9%	3.0%	4.7%	4.4%	5.2%	4.8%	5.5%	4.6%	5.9%	5.4%	6.4%	5.0%	6.7%
YOY change	-	-	-38.9%	-33.4%	-17.8%	-19.7%	-1.7%	+21.9%	+51.3%	+13.3%	+11.0%	+8.8%	+1.6%	+12.0%	+24.0%	+15.4%	-3.8%	+6.0%
Net income (loss) attributable to owners of the parent company	4,491	9,406	3,207	7,659	1,004	5,985	-1,469	2,135	3,019	5,868	3,857	7,913	3,889	10,275	5,601	12,678	5,681	15,000
Composition	2.7%	2.8%	2.2%	2.4%	0.7%	1.9%	-0.9%	0.7%	1.9%	1.7%	2.4%	2.3%	2.2%	2.8%	3.1%	3.3%	3.0%	3.8%
YOY change	-	-	-28.6%	-18.6%	-68.7%	-21.9%	-	-64.3%	-	+174.8%	+27.8%	+34.9%	+0.8%	+29.8%	+44.0%	+23.4%	+1.4%	+18.3%
Net income per share - basic (yen)	52.97	110.74	37.60	89.25	11.44	68.19	-16.74	24.33	34.40	66.86	43.95	90.16	44.42	117.40	64.04	145.22	65.72	173.88
Net income per share - diluted (yen)	52.94	110.72	-	-	-	-	-	24.33	34.39	66.83	43.91	90.12	44.40	-	-	-	-	-
Dividends per share (yen)	-	32.00	12.00	32.00	12.00	32.00	-	18.00	7.00	21.00	8.00	25.00	10.00	30.00	11.00	33.00	12.00	36.00
Payout ratio (%)	-	28.9%	-	35.9%	-	46.9%	-	74.0%	-	31.4%	-	27.7%	-	25.6%	-	22.7%	-	20.9%
Total Return Ratio(%)	-	28.9%	-	35.9%	-	46.9%	-	74.0%	-	31.4%	-	27.7%	-	30.4%	-	35.3%	-	35.0%

## (2) Sales and Income by Business Segment

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017	
	1st half	Full Year (Plan)																
Net sales	163,426	338,302	146,954	313,856	154,009	323,173	154,682	327,417	162,523	337,834	163,365	346,647	172,851	361,025	182,683	382,689	189,023	390,000
YOY change	-	-	-10.1%	-7.2%	+4.8%	+3.0%	+0.4%	+1.3%	+5.1%	+3.2%	+0.5%	+2.6%	+5.8%	+4.1%	+5.7%	+6.0%	+3.5%	+1.9%
IT Infrastructure Services	-	-	-	-	55,528	110,916	55,180	111,358	55,091	112,666	56,856	115,360	58,235	118,200	61,101	125,929	61,930	125,700
Composition	-	-	-	-	36.1%	34.3%	35.7%	34.0%	33.9%	33.3%	34.8%	33.3%	33.7%	32.7%	33.4%	32.9%	32.8%	32.2%
YOY change	-	-	-	-	-	-	-0.6%	+0.4%	-0.2%	+1.2%	+3.2%	+2.4%	+2.4%	+2.5%	+4.9%	+6.5%	+1.4%	-0.2%
Financial IT Services	-	-	-	-	34,858	72,665	32,233	70,099	33,295	71,499	36,083	75,148	38,839	79,543	37,693	79,519	40,057	82,900
Composition	-	-	-	-	22.6%	22.5%	20.8%	21.4%	20.5%	21.2%	22.1%	21.7%	22.5%	22.0%	20.6%	20.8%	21.2%	21.3%
YOY change	-	-	-	-	-	-	-7.5%	-3.5%	+3.3%	+2.0%	+8.4%	+5.1%	+7.6%	+5.8%	-3.0%	-0.0%	+4.3%	+4.3%
Industrial IT Services	-	-	-	-	64,285	141,294	69,184	149,466	74,683	155,689	70,992	158,234	77,205	166,357	85,226	180,000	90,188	188,700
Composition	-	-	-	-	41.7%	43.7%	44.7%	45.7%	46.0%	46.1%	43.5%	45.6%	44.7%	46.1%	46.7%	47.0%	47.7%	48.4%
YOY change	-	-	-	-	-	-	+7.6%	+5.8%	+7.9%	+4.2%	-4.9%	+1.6%	+8.8%	+5.1%	+10.4%	+8.2%	+5.8%	+4.8%
Other business	-	-	-	-	8,312	16,595	7,723	16,234	8,402	16,232	8,761	16,498	7,290	14,667	7,688	16,095	5,994	12,700
Composition	-	-	-	-	5.4%	5.1%	5.0%	5.0%	5.2%	4.8%	5.4%	4.8%	4.2%	4.1%	4.2%	4.2%	3.2%	3.3%
YOY change	-	-	-	-	-	-	-7.1%	-2.2%	+8.8%	-0.0%	+4.3%	+1.6%	-16.8%	-11.1%	+5.5%	+9.7%	-22.0%	-21.1%
Inter-segment elimination/adjustments	-	-	-	-	-8,974	-18,298	-9,639	-19,740	-8,948	-18,253	-9,327	-18,593	-8,718	-17,742	-9,025	-18,855	-9,147	-20,000
Operating income	9,400	23,787	5,805	15,996	4,667	12,818	4,683	15,621	7,251	18,171	7,652	19,510	7,670	21,121	9,373	24,436	9,423	26,500
Composition	5.8%	7.0%	4.0%	5.1%	3.0%	4.0%	3.0%	4.8%	4.5%	5.4%	4.7%	5.6%	4.4%	5.9%	5.1%	6.4%	5.0%	6.8%
YOY change	-	-	-38.2%	-32.8%	-	-	+0.3%	+21.9%	+54.8%	+16.3%	+5.5%	+7.4%	+0.2%	+8.3%	+22.2%	+15.7%	+5.0%	+8.4%
IT Infrastructure Services	-	-	-	-	3,863	8,131	3,640	8,049	3,372	7,101	3,546	7,652	3,510	7,179	3,257	8,924	5,179	10,400
Composition	-	-	-	-	7.0%	7.3%	6.6%	7.2%	6.1%	6.3%	6.2%	6.6%	6.0%	6.1%	5.3%	7.1%	8.4%	8.3%
YOY change	-	-	-	-	-	-	-5.8%	-1.0%	-7.4%	-11.8%	+5.2%	+7.8%	-1.0%	-6.2%	-7.2%	+24.3%	+59.0%	+16.5%
Financial IT Services	-	-	-	-	1,640	3,922	1,219	4,534	2,070	6,021	2,846	6,385	2,732	5,549	1,816	3,361	-527	3,600
Composition	-	-	-	-	4.7%	5.4%	6.5%	6.2%	8.4%	7.9%	8.5%	7.9%	7.0%	4.8%	4.2%	-1.3%	4.3%	
YOY change	-	-	-	-	-	-	-25.7%	+15.6%	+69.8%	+32.8%	+37.5%	+6.0%	-4.0%	-13.1%	-33.5%	-39.4%	-129.0%	+7.1%
Industrial IT Services	-	-	-	-	-473	1,625	-378	2,658	1,750	4,992	868	4,687	829	7,049	3,405	9,972	4,383	11,900
Composition	-	-	-	-	-0.7%	1.2%	-0.5%	1.8%	2.3%	3.2%	1.2%	3.0%	1.1%	4.2%	4.0%	5.5%	6.3%	
YOY change	-	-	-	-	-	-	+63.6%	-	+87.8%	-50.4%	-6.1%	-4.5%	+50.4%	+310.7%	+41.5%	+28.7%	+19.3%	
Other business	-	-	-	-	643	1,313	1,091	2,277	1,061	2,153	1,106	2,152	1,150	2,159	1,161	2,649	523	1,000
Composition	-	-	-	-	7.7%	7.9%	14.1%	14.0%	12.6%	13.3%	12.6%	13.0%	15.8%	14.7%	15.1%	16.5%	8.7%	7.9%
YOY change	-	-	-	-	-	-	+69.7%	+73.4%	-2.7%	-5.4%	+4.2%	-0.0%	+4.0%	+0.3%	+1.0%	+22.7%	-55.0%	-62.2%
Inter-segment elimination/adjustments	-	-	-	-	-1,006	-2,174	-888	-1,898	-1,003	-2,097	-715	-1,367	-552	-816	-266	-471	-135	-400

Net sales for each segment include intersegment sales.

## (3) Order Status (Software development)

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017	
	1st half	Full Year (Plan)																
Orders received during the term	73,894	156,385	69,808	146,621	78,553	162,287	89,188	174,680	94,233	179,352	86,248	172,721	89,385	199,842	98,648	207,345	104,570	-
YOY change	-	-	-5.5%	-6.2%	+12.5%	+10.7%	+13.5%	+7.6%	+5.7%	+2.7%	-8.5%	-3.7%	+3.6%	+15.7%	+10.4%	+3.8%	+6.0%	-
Financial IT Services	-	-	-	-	26,242	60,697	28,157	63,117	32,063	65,367	30,813	63,927	30,816	69,226	32,431	73,861	35,765	-
Composition	-	-	-	-	33.4%	37.4%	31.6%	36.1%	34.0%	36.4%	35.7%	37.0%	34.5%	34.6%	32.9%	35.6%	34.2%	-
YOY change	-	-	-	-	-	-	+7.3%	+4.0%	+13.9%	+3.6%	-3.9%	-2.2%	+0.0%	+8.3%	+5.2%	+6.7%	+10.3%	-
Industrial IT Services	-	-	-	-	52,310	101,590	61,030	111,563	62,169	113,985	55,434	108,793	58,568	130,616	66,217	133,483	68,804	-
Composition	-	-	-	-	66.6%	62.6%	68.4%	63.9%	66.0%	63.6%	64.3%	63.0%	65.5%	65.4%	67.1%	64.4%	65.8%	-
YOY change	-	-	-	-	-	-	+16.7%	+9.8%	+1.9%	+2.2%	-10.8%	-4.6%	+5.7%	+20.1%	+13.1%	+2.2%	+3.9%	-
Order backlog at period-end	64,163	52,808	52,308	49,569	51,571	47,967	60,589	57,778	69,385	62,055	67,650	58,869	61,011	71,095	73,041	69,961	72,691	-
YOY change	-	-	-18.5%	-6.1%	-1.4%	-3.2%	+17.5%	+20.5%	+14.5%	-2.5%	-5.1%	-9.8%	+20.8%	+19.7%	-1.6%	-0.5%	-	
Financial IT Services	-	-	-	-	19,553	18,229	20,924	24,453	27,389	26,057	25,013	23,824	21,223	23,983	22,617	25,796	25,172	-
Composition	-	-	-	-	37.9%	38.0%	34.5%	42.3%	39.5%	42.0%	37.0%	40.5%	34.8%	33.7%	32.0%	36.9%	34.6%	-
YOY change	-	-	-	-	-	-	+7.0%	+34.1%	+30.9%	+6.6%	-8.7%	-8.6%	-15.2%	+0.7%	+6.6%	+7.6%	+11.3%	-
Industrial IT Services	-	-	-	-	32,017	29,738	39,664	33,325	41,996	35,997	42,637	35,044	39,788	47,111	50,424	44,164	47,518	-
Composition	-	-	-	-	62.1%	62.0%	65.5%	57.7%	60.5%	58.0%	63.0%	59.5%	63.0%	65.2%	63.0%	63.1%	65.4%	-
YOY change	-	-	-	-	-	-	+23.9%	+12.1%	+5.9%	+8.0%	+1.5%	-2.6%	-6.7%	+34.4%	+26.7%	-6.3%	-5.8%	-

## (4) Financial Position, Cash Flow, and Other

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017	
	1st half	Full Year (Plan)																
Current assets	118,592	140,799	120,513	141,967	126,685	128,455	119,854	142,442	135,259	138,219	126,739	143,519	129,500	140,450	155,103	166,666	133,342	-
Fixed assets	164,580	154,527	160,430	171,109	168,621	172,620	171,891	167,560	162,883	164,083	169,562	170,091	175,416	205,401	169,353	169,828	174,729	-
Total assets	283,173	295,327	280,943	313,077	295,307	301,076	291,745	310,003	298,143	302,302	296,302	313,610	304,917	345,851	324,457	336,495	308,071	-
Current liabilities	77,494	82,051	70,153	86,255	65,666	73,090	73,169	83,065	72,727	91,063	81,755	72,790	65,621	77,666	78,771	91,508	72,769	-
Non-current liabilities	63,125	67,058	61,405	71,746	77,325	76,875	71,989	75,972	73,027	53,079	51,235	76,316	72,675	79,395	67,960	64,447	51,504	-
Total liabilities	140,620	149,110	131,558	158,001	142,991	149,965	145,159	159,038	145,754	144,143	132,990	149,107	138,296	157,062	146,731	155,955	124,274	-
Net assets	142,553	146,216	149,384	155,075	152,315	151,110	146,585	150,965	152,388	158,159	163,311	164,502	166,620	188,789	163,773	180,539	183,796	-
Total liabilities and net assets	283,173	295,327	280,943	313,077	295,307	301,076	291,745	310,003	298,143	302,302	296,302	313,610	304,917	345,851	324,457	336,495	308,071	-
Total interest-bearing debt	82,413	80,532	75,397	91,646	76,268	77,454	74,118	76,515	70,855	60,550	55,224	58,869	53,751	52,114	50,494	46,158	31,345	-
Interest-bearing debt ratio	29.1%	27.3%	26.8%	29.3%	25.8%	25.7%	25.4%	24.7%	23.8%	20.0%	18.6%	18.8%	17.6%	15.1%	15.6%	13.7%	10.2%	-
Net assets per share(yen)	1,498.39	1,541.17	1,558.63	1,602.77	1,571.12	1,636.56	1,588.36	1,636.72	1,651.15	1,714.88	1,770.88	1,782.23	1,812.28	2,108.19	1,988.26	2,031.07	2,088.36	-
Equity ratio (%)	45.0%	44.4%	47.9%	44.2%	46.7%	47.7%	47.8%	46.3%	48.6%	49.8%	52.5%	49.9%	52.0%	53.3%	53.6%	52.5%	58.4%	-
Net income to equity capital ratio (%)	-	7.4%	-	5.5%	-	4.2%	-	1.5%	-	4.0%	-	5.2%	-	6.0%	-	7.0%	-	-
Cash flow from operating activities	13,595	34,311	15,012	31,400	16,690	27,236	9,985	23,658	11,900	21,515	13,132	25,770	12,649	22,938	8,777	25,496	7,156	-
Cash flow from investing activities	-11,212	-20,079	-10,421	-25,726	-6,410	-18,957	-9,750	-15,158	-2,988	-14,391	-4,793	-5,334	-12,947	-17,744	-6,151	8,688	-13,916	-
Cash flow from financial activities	-4,861	-6,877	-5,736	6,139	-18,288	-18,755	-5,868	-4,230	-8,133	-19,883	-7,455	-5,872	-8,402	-19,067	-6,792	-14,979	-20,079	-
Cash and cash equivalents at the end of the term	25,510	35,104	33,987	46,987	38,982	36,492	31,187	41,119	41,915	28,433	29,404	43,142	34,388	29,485	25,179	48,651	21,675	-
Free cash flows	2,383	14,232	4,591	5,674	10,280	8,279	235	8,500	8,912	7,124	8,338	20,436	-298	5,194	2,626	34,184	-6,760	-
Capital expenditures	6,312	13,139	8,619	15,676	8,978	18,325	5,585	14,096	4,696	12,287	5,781	12,544	10,086	16,873	5,668	14,210	7,925	14,000
Depreciation	6,360	10,996	5,808	11,978	6,000	12,308	6,151	12,745	6,339	12,920	6,159	12,454	6,235	12,809	6,210	11,952	5,646	12,000
Research and development expenses	411	946	443	912	514	1,062	490	962	512	1,002	468	853	548	1,097	532	1,086	577	1,100
Amortization of goodwill	493	1,149	653	1,389	985	1,901	1,006	1,882	869	1,741	664	1,166	615	1,052	199	339	148	310
Goodwill balance at the end of the term	5,649	5,053	4,280	6,863	6,466	5,551	4,546	3,672	2,797	1,914	1,320	830	2,290	2,021	1,552	1,393	1,556	1,420
Number of employees at the end of the term	15,522	15,259	16,174	20,476	21,007	20,831	20,818	20,347	20,119	19,553	19,486	19,081	19,472	19,090	19,758	19,393	19,860	-
Number of new-graduate recruits	919	919	974	974	928	928	649	649	356	356	455	455	620	620	688	688	674	674
Number of regular recruits	491	1,117	256	512	211	370	251	450	154	379	247	549	292	499	271	687	339	-

Total interest-bearing debt indicate total sum of borrowed money and corporate bonds.

Free cash flows indicate total sum of cash flow from operating activities and cash flow from investing activities.

Goodwill amortization and balance at the end of the period in review included goodwill associated with intangible assets acknowledged in accordance with revised Accounting Standard for Business Combinations.

Principal amortization of goodwill:

SORUN Corporation: Goodwill (¥4,408 million) incurred due to change in status to subsidiary of IT Holdings in December 2009, and five-year equal amortization from 4th quarter period ended March 2010. Additional goodwill (¥58 million) incurred because the company became a wholly owned subsidiary in April 2010, and five-year equal amortization from the first quarter of the fiscal year ended March 2011.

Nexway Co., Ltd.: Goodwill (¥2,896 million) incurred due to change in status to subsidiary of INTEC in July 2008. Five-year equal amortization from 2nd quarter period ended March 2010.



### **Cautionary Statements**

- All statements described in these materials are based on information available to management regarding the TIS INTEC Group—that is, TIS and the subsidiaries under its umbrella—as of the presentation date and certain assumptions deemed reasonable at this time. No intent is implied or promise by the Company to achieve such forward-looking statements. Indeed, various factors may cause future results to be substantially different from the assumptions presented in these materials.
- Full-year targets reflect revised performance estimates at the time of presentation.
- Quarterly financial results indicate the figures deducting from accumulated-term results.  
(ex. Third quarter results = Three quarter results – Two quarter results)
- From the fiscal year ended March 31, 2012, TIS applied new management approach and changed business segment. Fiscal 2011 figures have been recalculated and reclassified according to the new segment breakdowns for comparison purposes.