



**TIS**

TIS INTEC Group

Go Beyond

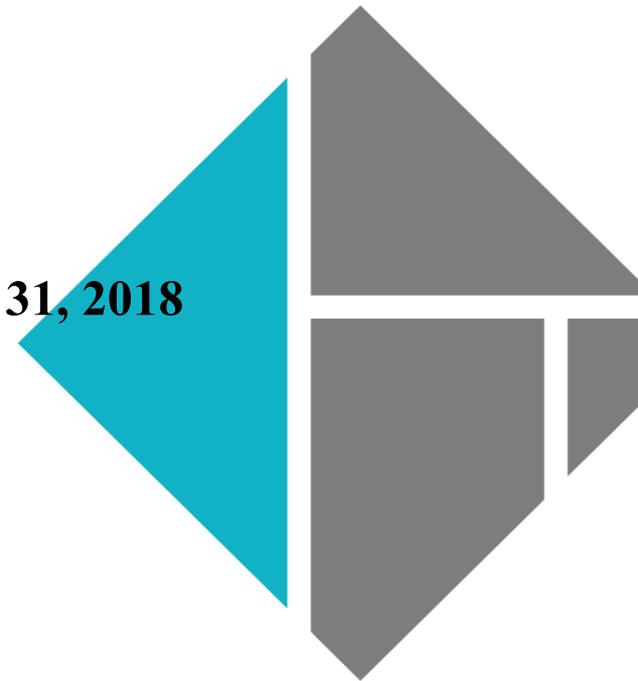
# **Supplementary Financial Data**

## **First Three Quarters of the Fiscal Year ending March 31, 2018**

---

February 2, 2018

TIS Inc.



1. Financial Summary for Fiscal 2017 (Previous Fiscal Year) and Fiscal 2018 (Current Fiscal Year) [Consolidated]

(1) Performance Summary

(Millions of yen)	FY2017								FY2018							
	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	89,128	99,895	189,023	91,685	280,708	112,690	204,375	393,398	91,778	103,035	194,813	94,208	289,021			
YOY change	+4.1%	+3.0%	+3.5%	+4.3%	+3.7%	+0.5%	+2.2%	+2.8%	+3.0%	+3.1%	+3.1%	+2.8%	+3.0%			
IT Infrastructure Services	29,715	30,900	60,615	30,025	90,640	32,907	62,932	123,547	30,477	31,722	62,199	31,542	93,741			
Composition	33.3%	30.9%	32.1%	32.7%	32.3%	29.2%	30.8%	31.4%	33.2%	30.8%	31.9%	33.5%	32.4%			
YOY change	+2.8%	-1.2%	+0.7%	-0.0%	+0.5%	-1.5%	-0.8%	-0.1%	+2.6%	+2.7%	+2.6%	+5.1%	+3.4%			
Financial IT Services	18,341	21,597	39,938	20,290	60,228	23,564	43,854	83,792	20,329	23,124	43,453	22,355	65,808			
Composition	20.6%	21.6%	21.1%	22.1%	21.5%	20.9%	21.5%	21.3%	22.2%	22.4%	22.3%	23.7%	22.8%			
YOY change	+8.4%	+5.7%	+6.9%	+7.9%	+7.9%	+1.8%	+5.4%	+6.1%	+10.8%	+7.1%	+8.8%	+10.2%	+9.3%			
Industrial IT Services	39,781	45,801	85,582	39,919	125,501	54,744	94,663	180,245	39,791	46,987	86,778	39,052	125,830			
Composition	44.6%	45.8%	45.3%	43.5%	44.7%	48.6%	46.3%	45.8%	43.4%	45.6%	44.5%	41.5%	43.5%			
YOY change	+4.8%	+4.7%	+4.7%	+5.3%	+4.9%	+2.6%	+3.7%	+4.2%	+0.0%	+2.6%	+1.4%	-2.2%	+0.3%			
Other business	1,290	1,597	2,887	1,450	4,337	1,476	2,926	5,813	1,180	1,203	2,383	1,257	3,640			
Composition	1.4%	1.6%	1.5%	1.6%	1.5%	1.3%	1.4%	1.5%	1.3%	1.2%	1.2%	1.3%	1.3%			
YOY change	-30.4%	+0.9%	-16.0%	-1.7%	-11.7%	-31.9%	-19.7%	-17.9%	-8.5%	-24.7%	-17.5%	-13.3%	-16.1%			
Cost of sales	73,303	82,050	155,353	73,504	228,857	88,583	162,087	317,440	74,241	81,819	156,060	74,710	230,770			
Composition	82.2%	82.1%	82.2%	80.2%	81.5%	78.6%	79.3%	80.7%	80.9%	79.4%	80.1%	79.3%	79.8%			
YOY change	+2.1%	+5.0%	+3.6%	+1.9%	+3.0%	-1.6%	-0.1%	+1.7%	+1.3%	-0.3%	+0.5%	+1.6%	+0.8%			
Gross profit	15,824	17,846	33,670	18,181	51,851	24,107	42,288	75,958	17,536	21,216	38,752	19,499	58,251			
Composition	17.8%	17.9%	17.8%	19.8%	18.5%	21.4%	20.7%	19.3%	19.1%	20.6%	19.9%	20.7%	20.2%			
YOY change	+14.3%	-5.5%	+2.9%	+15.4%	+6.9%	+9.4%	+11.9%	+7.7%	+10.8%	+18.9%	+15.1%	+7.2%	+12.3%			
Selling, general and administrative expenses	11,807	12,439	24,246	11,673	35,919	13,019	24,692	48,938	12,482	12,679	25,161	12,393	37,554			
Composition	13.2%	12.5%	12.8%	12.7%	12.8%	11.6%	12.1%	12.4%	13.6%	12.3%	12.9%	13.2%	13.0%			
YOY change	+1.1%	+6.5%	+3.8%	+6.2%	+4.6%	+10.8%	+8.6%	+6.2%	+5.7%	+1.9%	+3.8%	+6.2%	+4.6%			
Operating income	4,017	5,406	9,423	6,508	15,931	11,088	17,596	27,019	5,053	8,538	13,591	7,105	20,696			
Composition	4.5%	5.4%	5.0%	7.1%	5.7%	9.8%	8.6%	6.9%	5.5%	8.3%	7.0%	7.5%	7.2%			
YOY change	+85.1%	-24.9%	+0.5%	+36.6%	+12.7%	+7.7%	+16.8%	+10.6%	+25.8%	+57.9%	+44.2%	+9.2%	+29.9%			
Non-operating income	884	194	1,078	288	1,366	371	659	1,737	893	293	1,186	433	1,619			
Non-operating expenses	528	447	975	214	1,189	475	689	1,664	372	646	1,018	342	1,360			
Recurring profit	4,373	5,153	9,526	6,582	16,108	10,984	17,566	27,092	5,574	8,185	13,759	7,196	20,955			
Composition	4.9%	5.2%	5.0%	7.2%	5.7%	9.7%	8.6%	6.9%	6.1%	7.9%	7.1%	7.6%	7.3%			
YOY change	+44.6%	-25.0%	-3.8%	+44.7%	+11.5%	+9.0%	+20.1%	+10.5%	+27.5%	+58.8%	+44.4%	+9.3%	+30.1%			
Extraordinary income	0	12	12	1,859	1,871	195	2,054	2,066	3	193	196	294	490			
Extraordinary loss	174	388	562	202	764	3,554	3,756	4,318	9	664	673	291	964			
Income before income taxes	4,199	4,778	8,977	8,238	17,215	7,626	15,864	24,841	5,567	7,716	13,283	7,198	20,481			
Composition	4.7%	-0.0%	4.7%	9.0%	6.1%	6.8%	7.8%	6.3%	6.1%	-0.0%	6.8%	7.6%	7.1%			
YOY change	+43.8%	-25.2%	-3.6%	-	+38.7%	-18.9%	+26.8%	+13.9%	+32.6%	+61.5%	+48.0%	-	+19.0%			
Total income taxes	1,391	1,726	3,117	2,684	5,801	2,296	4,980	8,097	1,778	2,619	4,397	2,170	6,567			
Net income (loss) attributable to non-controlling interests	50	128	178	-16	162	274	258	436	95	188	283	169	452			
Net income attributable to owners of the parent company	2,757	2,924	5,681	5,570	11,251	5,055	10,625	16,306	3,694	4,908	8,602	4,858	13,460			
Composition	3.1%	2.9%	3.0%	6.1%	4.0%	4.5%	5.2%	4.1%	4.0%	4.8%	4.4%	5.2%	4.7%			
YOY change	+40.7%	-19.7%	+1.4%	+268.4%	+58.2%	-9.2%	+50.1%	+28.6%	+34.0%	+67.9%	+51.4%	-12.8%	+19.6%			

## (2) Sales by Client Sector

(Millions of yen)	FY2017									FY2018								
	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	89,128	99,895	189,023	91,685	280,708	112,690	204,375	393,398	91,778	103,035	194,813	94,208	289,021					
YOY change	+4.1%	+3.0%	+3.5%	+4.3%	+3.7%	+0.5%	+2.2%	+2.8%	+3.0%	+3.1%	+3.1%	+2.8%	+3.0%					
Credit card	14,372	16,653	31,025	15,970	46,995	18,011	33,981	65,006	16,300	18,114	34,414	18,403	52,817					
Composition	16.1%	16.4%	16.4%	17.4%	16.7%	16.0%	16.6%	16.5%	17.8%	17.6%	17.7%	19.5%	18.3%					
YOY change	+6.6%	+12.5%	+9.7%	+12.0%	+10.5%	+7.7%	+9.6%	+9.7%	+13.4%	+8.8%	+10.9%	+15.2%	+12.4%					
Banking	6,697	7,329	14,026	6,151	20,177	8,056	14,207	28,233	6,479	6,667	13,146	6,440	19,586					
Composition	7.5%	7.3%	7.4%	6.7%	7.2%	7.1%	7.0%	7.2%	7.1%	6.5%	6.7%	6.8%	6.8%					
YOY change	+10.4%	-4.2%	+2.3%	-1.0%	+1.3%	+1.4%	+0.4%	+1.3%	-3.3%	-9.0%	-6.3%	+4.7%	-2.9%					
Insurance	5,881	6,605	12,486	6,124	18,610	6,746	12,870	25,356	5,653	6,901	12,554	6,209	18,763					
Composition	6.6%	6.6%	6.6%	6.7%	6.6%	6.0%	6.3%	6.4%	6.2%	6.7%	6.4%	6.6%	6.5%					
YOY change	-0.9%	-0.8%	-0.8%	-4.4%	-2.0%	-8.1%	-6.4%	-3.7%	-3.9%	+4.5%	+0.5%	+1.4%	+0.8%					
Other finance	4,630	5,340	9,970	5,072	15,042	5,815	10,887	20,857	5,012	5,265	10,277	5,481	15,758					
Composition	5.2%	5.3%	5.3%	5.4%	5.4%	5.2%	5.3%	5.3%	5.5%	5.1%	5.3%	5.8%	5.5%					
YOY change	+2.0%	-2.4%	-0.4%	+8.6%	+2.4%	+1.6%	+4.8%	+2.2%	+8.3%	-1.4%	+3.1%	+8.1%	+4.8%					
Assembly-based manufacturing	9,941	11,693	21,634	9,632	31,266	11,457	21,089	42,723	10,051	11,486	21,537	9,713	31,250					
Composition	11.2%	11.4%	11.4%	10.5%	11.1%	10.2%	10.3%	10.9%	11.0%	11.1%	11.1%	10.3%	10.8%					
YOY change	-7.6%	-11.4%	-9.7%	-14.3%	-11.2%	-19.7%	-17.3%	-13.6%	+1.1%	-1.8%	-0.4%	+0.8%	-0.1%					
Processing-based manufacturing	8,595	9,628	18,223	8,288	26,511	10,442	18,730	36,953	8,735	10,340	19,075	8,729	27,804					
Composition	9.6%	9.6%	9.6%	9.0%	9.4%	9.3%	9.2%	9.4%	9.5%	10.0%	9.8%	9.3%	9.6%					
YOY change	+8.4%	+8.1%	+8.2%	-2.8%	+4.5%	+7.6%	+2.8%	+5.4%	+1.6%	+7.4%	+4.7%	+5.3%	+4.9%					
Distribution	7,369	8,403	15,772	7,520	23,292	8,481	16,001	31,773	6,710	7,824	14,534	6,178	20,712					
Composition	8.3%	8.4%	8.3%	8.2%	8.3%	7.5%	7.8%	8.1%	7.3%	7.6%	7.5%	6.6%	7.2%					
YOY change	-3.9%	-0.7%	-1.5%	-6.5%	-3.2%	-1.9%	-4.1%	-2.8%	-8.9%	-6.9%	-7.8%	-17.8%	-11.1%					
Services	19,446	22,003	41,449	21,881	63,330	26,277	48,158	89,607	21,230	23,589	44,819	22,325	67,144					
Composition	21.8%	22.0%	21.9%	23.9%	22.6%	23.3%	23.6%	22.8%	23.1%	22.9%	23.0%	23.7%	23.2%					
YOY change	+9.0%	+9.5%	+9.3%	+19.1%	+12.5%	+12.8%	+15.6%	+12.6%	+9.2%	+7.2%	+8.1%	+2.0%	+6.0%					
Public institutions	8,624	8,124	16,748	7,353	24,101	12,901	20,254	37,002	7,911	8,817	16,728	7,023	23,751					
Composition	9.7%	8.1%	8.9%	8.0%	8.6%	11.4%	9.9%	9.4%	8.6%	8.6%	8.6%	7.5%	8.2%					
YOY change	+5.5%	+4.5%	+5.1%	+4.3%	+4.8%	-5.2%	-2.0%	+1.1%	-8.3%	+8.5%	-0.1%	-4.5%	-1.5%					
Others	3,570	4,116	7,686	3,693	11,379	4,503	8,196	15,882	3,692	4,033	7,725	3,704	11,429					
Composition	4.0%	4.1%	4.1%	4.0%	4.1%	4.0%	4.0%	4.0%	4.0%	3.9%	4.0%	3.9%	4.0%					
YOY change	+9.8%	-0.6%	+4.0%	+17.5%	+8.0%	-7.0%	+2.7%	+3.3%	+3.4%	-2.0%	+0.5%	+0.3%	+0.4%					

## (3) Sales and Income by Business Segment

(Millions of yen)	FY2017									FY2018								
	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	89,128	99,895	189,023	91,685	280,708	112,690	204,375	393,398	91,778	103,035	194,813	94,208	289,021					
YOY change	+4.1%	+3.0%	+3.5%	+4.3%	+3.7%	+0.5%	+2.2%	+2.8%	+3.0%	+3.1%	+3.1%	+2.8%	+3.0%					
IT Infrastructure Services	30,374	31,556	61,930	30,803	92,733	33,848	64,651	126,581	31,308	32,517	63,825	32,358	96,183					
Composition	34.1%	31.6%	32.8%	33.6%	33.0%	30.0%	31.6%	32.2%	34.1%	31.6%	32.8%	34.3%	33.3%					
YOY change	+3.5%	-0.6%	+1.4%	+0.4%	+1.0%	-0.8%	-0.3%	+0.5%	+3.1%	+3.0%	+3.1%	+5.0%	+3.7%					
Financial IT Services	18,404	21,653	40,057	20,342	60,399	23,652	43,994	84,051	20,398	23,218	43,616	22,414	66,030					
Composition	20.6%	21.7%	21.2%	22.2%	21.5%	21.0%	21.5%	21.4%	22.2%	22.5%	22.4%	23.8%	22.8%					
YOY change	+8.0%	+4.9%	+6.3%	+9.4%	+7.3%	+1.8%	+5.2%	+5.7%	+10.8%	+7.2%	+8.9%	+10.2%	+9.3%					
Industrial IT Services	41,925	48,263	90,188	41,917	132,105	57,304	99,221	189,409	41,942	49,146	91,088	41,575	132,663					
Composition	47.0%	48.3%	47.7%	45.7%	47.1%	50.9%	48.5%	48.1%	45.7%	47.7%	46.8%	44.1%	45.9%					
YOY change	+6.3%	+5.4%	+5.8%	+5.7%	+5.8%	+4.0%	+4.7%	+5.2%	+0.0%	+1.8%	+1.0%	-0.8%	+0.4%					
Other business	2,742	3,252	5,994	2,892	8,886	2,999	5,891	11,885	2,635	2,629	5,264	2,717	7,981					
Composition	3.1%	3.3%	3.2%	3.2%	3.2%	2.7%	2.9%	3.0%	2.9%	2.6%	2.7%	2.9%	2.8%					
YOY change	-31.8%	-11.3%	-22.0%	-18.1%	-20.8%	-38.5%	-29.9%	-26.2%	-3.9%	-19.2%	-12.2%	-6.1%	-10.2%					
Inter-segment elimination/adjustments	-4,318	-4,829	-9,147	-4,269	-13,416	-5,112	-9,381	-18,528	-4,506	-4,474	-8,980	-4,858	-13,838					
Operating income	4,017	5,406	9,423	6,508	15,931	11,088	17,596	27,019	5,053	8,538	13,591	7,105	20,696					
Composition	4.5%	5.4%	5.0%	7.1%	5.7%	9.8%	8.6%	6.9%	5.5%	8.3%	7.0%	7.5%	7.2%					
YOY change	+85.1%	-24.9%	+0.5%	+36.6%	+12.7%	+7.7%	+16.8%	+10.6%	+25.8%	+57.9%	+44.2%	+9.2%	+29.9%					
IT Infrastructure Services	2,575	2,604	5,179	2,242	7,421	2,737	4,979	10,158	2,382	2,986	5,368	3,220	8,588					
Composition	8.5%	8.3%	8.4%	7.3%	8.0%	8.1%	7.7%	8.0%	7.6%	9.2%	8.4%	10.0%	8.9%					
YOY change	+137.0%	+20.0%	+59.0%	-8.8%	+29.9%	-14.7%	-12.1%	+13.8%	-7.5%	+14.7%	+3.6%	+43.6%	+15.7%					
Financial IT Services	588	-1,115	-527	1,507	980	2,646	4,153	3,626	1,099	1,920	3,019	2,105	5,124					
Composition	3.2%	-1.3%	-1.3%	7.4%	1.6%	11.2%	9.4%	4.3%	5.4%	8.3%	6.9%	9.4%	7.8%					
YOY change	+26.9%	-	-	+309.5%	-55.1%	+124.8%	+168.8%	+7.9%	+86.9%	-	-	+39.7%	+422.9%					
Industrial IT Services	759	3,624	4,383	2,669	7,052	5,444	8,113	12,496	1,415	3,484	4,899	1,729	6,628					
Composition	1.8%	7.5%	4.9%	6.4%	5.3%	9.5%	8.2%	6.6%	3.4%	7.1%	5.4%	4.2%	5.0%					
YOY change	+165.0%	+16.2%	+28.7%	+93.8%	+47.5%	+49.9%	+23.5%	+86.4%	+3.9%	+11.8%	+11.8%	-35.2%	-6.0%					
Other business	230	293	523	236	759	325	561	1,084	254	237	491	221	712					
Composition	8.4%	9.0%	8.7%	8.2%	8.5%	10.8%	9.5%	9.1%	9.6%	9.0%	9.3%	8.1%	8.9%					
YOY change	-49.9%	-58.3%	-55.0%	-63.5%	-58.0%	-61.4%	-62.3%	-59.1%	+10.4%	-19.1%	-6.1%	-6.4%	-6.2%					
Inter-segment elimination/adjustments	-136	1	-135	-146	-281	-64	-210	-345	-97	-91	-188	-168	-356					

Net sales for each segment include intersegment sales.

## (4) Order Status (Software development)

(Millions of yen)	FY2017									FY2018							
	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	51,133	53,437	104,570	46,318	150,888	57,419	103,737	208,307	52,047	54,949	106,996	48,802	155,798				
YOY change	+12.9%	+0.1%	+6.0%	-1.6%	+3.5%	-6.8%	-4.6%	+0.5%	+1.8%	+2.8%	+2.3%	+5.4%	+3.3%				
Financial IT Services	16,271	19,494	35,765	16,476	52,241	23,120	39,596	75,361	17,495	20,685	38,180	18,283	56,463				
Composition	31.8%	36.5%	34.2%	35.6%	34.6%	40.3%	38.2%	36.2%	33.6%	37.6%	35.7%	37.5%	36.2%				
YOY change	+16.1%	+5.9%	+10.3%	+6.1%	+8.9%	-10.7%	-4.4%	+2.0%	+7.5%	+6.1%	+6.8%	+11.0%	+8.1%				
Industrial IT Services	34,861	33,943	68,804	29,843	98,647	34,299	64,142	132,946	34,552	34,263	68,815	30,520	99,335				
Composition	68.2%	63.5%	65.8%	64.4%	65.4%	59.7%	61.8%	63.8%	66.4%	62.4%	64.3%	62.5%	63.8%				
YOY change	+11.5%	-2.9%	+3.9%	-5.4%	+0.9%	-4.0%	-4.6%	-0.4%	-0.9%	+0.9%	+0.0%	+2.3%	+0.7%				
Order backlog at period-end	74,093	72,691	72,691	69,811	69,811	64,751	64,751	64,751	68,922	68,274	68,274	67,924	67,924				
YOY change	+2.5%	-0.5%	-0.5%	-4.1%	-4.1%	-7.4%	-7.4%	-7.4%	-7.0%	-6.1%	-6.1%	-2.7%	-2.7%				
Financial IT Services	25,046	25,172	25,172	23,898	23,898	25,547	25,547	25,547	24,701	25,228	25,228	23,554	23,554				
Composition	33.8%	34.6%	34.6%	34.2%	34.2%	39.5%	39.5%	39.5%	35.8%	37.0%	37.0%	34.7%	34.7%				
YOY change	+12.1%	+11.3%	+11.3%	+12.7%	+12.7%	-1.0%	-1.0%	-1.0%	-1.4%	+0.2%	+0.2%	-1.4%	-1.4%				
Industrial IT Services	49,046	47,518	47,518	45,912	45,912	39,204	39,204	39,204	44,221	43,046	43,046	44,369	44,369				
Composition	66.2%	65.4%	65.4%	65.8%	65.8%	60.5%	60.5%	60.5%	64.2%	63.0%	63.0%	65.3%	65.3%				
YOY change	-1.8%	-5.8%	-5.8%	-10.9%	-10.9%	-11.2%	-11.2%	-11.2%	-9.8%	-9.4%	-9.4%	-3.4%	-3.4%				

## (5) Other

(Millions of yen)	FY2017									FY2018							
	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	3,259	4,666	7,925	3,120	11,045	4,114	7,234	15,159	3,080	5,487	8,567	4,671	13,238				
Depreciation	2,758	2,888	5,646	3,020	8,666	3,135	6,155	11,801	2,840	3,349	6,189	3,096	9,285				
Research and development expenses	221	356	577	292	869	309	601	1,178	233	270	503	237	740				
Amortization of goodwill	69	79	148	95	243	83	178	326	72	72	144	71	215				
Goodwill balance at the end of the term	1,666	1,556	1,556	1,484	1,484	1,332	1,332	1,332	1,262	1,190	1,190	1,128	1,128				
Number of Employees at the end of the term	19,935	19,860	19,860	19,720	19,720	19,843	19,843	19,843	20,277	20,206	20,206	20,018	20,018				

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. Ten-Year Summary [Consolidated]

(1) Performance Summary

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017		FY2018		
	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	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	393,398	194,813	400,000	
	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%	+2.8%	+3.1%	+1.7%	
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	123,547	62,199	125,500	
	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%	31.4%	31.9%	31.4%	
	YOY change	-	-	-	-	-	-0.8%	+0.1%	-0.1%	+0.8%	+3.3%	+3.0%	+2.5%	+2.6%	+5.1%	+6.3%	+0.7%	-0.1%	+2.6%	+1.6%	
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	83,792	43,453	85,500	
	Composition	-	-	-	22.6%	22.4%	21.3%	21.0%	20.3%	21.9%	21.5%	21.8%	22.3%	21.8%	20.4%	20.6%	21.1%	21.3%	22.3%	21.4%	
	YOY change	-	-	-	-	-	-7.8%	-4.0%	+3.0%	+1.9%	+8.2%	+5.0%	+7.6%	+5.7%	-3.0%	+0.2%	+6.9%	+6.1%	+8.8%	+2.0%	
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	180,245	86,778	184,000	
	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%	45.8%	44.5%	46.0%	
	YOY change	-	-	-	-	-	+6.8%	+5.6%	+10.2%	+5.4%	-5.8%	+1.2%	+9.8%	+5.6%	+10.2%	+8.3%	+4.7%	+4.2%	+1.4%	+2.1%	
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	5,813	2,383	5,000	
	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%	1.5%	1.2%	1.3%	
	YOY change	-	-	-	-	-	-8.1%	-7.5%	+9.1%	+8.0%	+12.5%	+2.2%	-30.3%	-17.1%	+16.7%	+16.1%	-16.0%	-17.9%	-17.5%	-14.0%	
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	317,440	156,060	-	
	Composition	81.9%	80.7%	81.6%	81.2%	81.1%	80.8%	82.4%	81.3%	82.0%	82.2%	81.9%	82.7%	81.7%	82.1%	81.6%	82.2%	80.7%	80.1%	-	
	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%	+5.8%	+1.7%	+0.5%	-	
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	75,958	38,752	-	
	Composition	18.1%	19.3%	18.4%	18.8%	18.9%	19.2%	17.6%	18.7%	17.6%	18.0%	17.8%	18.1%	17.3%	18.3%	17.9%	18.4%	17.8%	19.3%	19.9%	-
	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%	+6.7%	+2.9%	+7.7%	+15.1%	-	
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	48,938	25,161	-	
	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%	12.4%	12.9%	-
	YOY change	-	-	+4.7%	+3.5%	+15.4%	+14.4%	-8.0%	-7.3%	-4.6%	+0.1%	+1.2%	+3.5%	+4.0%	+5.2%	+2.5%	+3.8%	+6.2%	+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	27,019	13,591	30,000	
	Composition	5.8%	7.0%	4.0%	5.1%	3.0%	4.0%	3.0%	4.8%	4.5%	4.7%	5.6%	4.4%	5.9%	5.1%	6.4%	5.0%	6.9%	7.0%	7.5%	
	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%	+10.6%	+44.2%	
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	27,092	13,759	30,000	
	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%	6.4%	5.0%	6.9%	7.1%	7.5%	
	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%	+10.5%	+44.4%	
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	16,306	8,602	18,000	
	Composition	2.7%	2.8%	2.2%	2.4%	0.7%	1.9%	-0.9%	0.7%	1.9%	1.7%	2.4%	2.2%	2.8%	3.1%	3.3%	3.0%	4.1%	4.4%	4.5%	
	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%	+28.6%	+51.4%	+10.4%	
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	189.02	100.46	210.76	
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	14.00	40.00	
Payout ratio (%)	-	28.9%	-	35.9%	-	46.9%	-	74.0%	-	31.4%	-	27.7%	-	25.6%	-	22.7%	-	19.0%	-	19.1%	
Total Return Ratio(%)	-	28.9%	-	35.9%	-	46.9%	-	74.0%	-	31.4%	-	27.7%	-	30.4%	-	35.3%	-	31.9%	-	35.0%	

## (2) Sales and Income by Business Segment

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017		FY2018		
	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	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	393,398	194,813	400,000	
	YOY change	-	-10.1%	-7.2%	+4.8%	+3.0%	+1.3%	+5.1%	+3.2%	+0.5%	+2.6%	+5.8%	+4.1%	+5.7%	+6.0%	+3.5%	+2.8%	+3.1%	+1.7%		
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	126,581	63,825	129,000	
	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%	32.8%	32.3%	
	YOY change	-	-	-	-0.6%	-	-0.6%	+0.4%	-0.2%	+1.2%	+3.2%	+2.4%	+2.4%	+2.5%	+4.9%	+6.5%	+1.4%	+0.5%	+3.1%	+1.9%	
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	84,051	43,616	86,000	
	Composition	-	-	-	22.6%	22.5%	20.8%	21.2%	20.5%	21.7%	22.1%	22.5%	20.6%	22.0%	20.6%	20.8%	21.2%	21.4%	22.4%	21.5%	
	YOY change	-	-	-	-7.5%	-3.5%	-3.3%	+2.0%	+8.4%	+5.1%	+7.6%	+5.8%	-3.0%	-0.0%	+6.3%	+5.7%	+8.9%	+2.3%			
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	189,409	91,088	194,000	
	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%	48.1%	46.8%	48.5%	
	YOY change	-	-	-	-7.6%	-	-7.6%	+5.8%	+7.9%	+4.2%	-4.9%	+1.6%	+8.8%	+5.1%	+10.4%	+8.2%	+5.8%	+5.2%	+1.0%	+2.4%	
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	11,885	5,264	11,000	
	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%	3.0%	2.7%	2.8%	
	YOY change	-	-	-	-7.1%	-2.2%	-7.1%	-2.2%	+8.8%	-0.0%	+4.3%	+1.6%	+16.8%	-11.1%	+9.7%	-22.0%	-26.2%	-12.2%	-7.4%		
Inter-segment elimination/adjustment	-	-	-	-	-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	-18,528	-8,980	-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	27,019	13,591	30,000	
	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%	6.9%	7.0%	
	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%	+0.5%	+10.6%	+44.2%	+11.0%
IT Infrastructure Services	-	-	-	-	3,863	8,131	3,640	8,049	3,372	7,101	3,546	7,431	3,510	7,179	3,257	8,924	5,179	10,158	5,368	10,500	
	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%	8.0%	8.4%	8.1%	
	YOY change	-	-	-	-5.8%	-1.0%	-5.8%	-1.0%	-7.4%	-11.8%	-5.2%	+7.8%	-1.0%	-6.2%	-7.2%	+24.3%	+59.0%	+13.8%	+3.6%	+3.4%	
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	3,626	3,019	5,900	
	Composition	-	-	-	4.7%	5.4%	3.8%	6.5%	6.2%	8.4%	7.9%	8.5%	7.0%	7.0%	4.8%	4.2%	-1.3%	4.3%	6.9%	6.9%	
	YOY change	-	-	-	-25.7%	-	-25.7%	+15.6%	+69.8%	+32.8%	+37.5%	+6.0%	-4.0%	-13.1%	-33.5%	-39.4%	-	+7.9%	-	+62.7%	
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	12,496	4,899	13,100	
	Composition	-	-	-	-0.7%	1.2%	-0.5%	1.2%	2.3%	3.2%	1.2%	3.0%	1.1%	4.2%	4.0%	5.5%	4.9%	6.6%	5.4%	6.8%	
	YOY change	-	-	-	-	-	+63.6%	-	-	+87.8%	-50.4%	-6.1%	-4.5%	+50.4%	+310.7%	+41.5%	+28.7%	+25.3%	+11.8%	+4.8%	
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	1,084	491	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%	9.1%	9.3%	9.1%	
	YOY change	-	-	-	+69.7%	+73.4%	-2.7%	-	-5.4%	-4.2%	-0.0%	+4.2%	+0.3%	+1.0%	+22.7%	-55.0%	-59.1%	-6.1%	-7.7%		
Inter-segment elimination/adjustments	-	-	-	-	-1,006	-2,174	-888	-1,898	-1,003	-2,097	-715	-1,367	-552	-816	-266	-471	-135	-345	-188	-500	

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		FY2018	
	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	1st half	Full Year	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	208,307	106,996	-
	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%	+0.5%	+2.3%	-
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	75,361	38,180	-
	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%	36.2%	35.7%	-
	YOY change	-	-	-	+7.3%	+4.0%	+7.3%	+4.0%	+13.9%	+3.6%	-3.9%	-2.2%	+0.0%	+8.3%	+5.2%	+6.7%	+10.3%	+2.0%	+6.8%	-
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	132,946	68,815	-
	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%	63.8%	64.3%	-
	YOY change	-	-	-	+16.7%	+9.8%	+16.7%	+9.8%	+1.9%	+2.2%	-10.8%	-4.6%	+5.7%	+20.1%	+13.1%	+2.2%	+3.9%	-0.4%	+0.0%	-
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	64,751	68,274	-
	YOY change	-	-18.5%	-6.1%	-1.4%	-3.2%	+17.5%	+20.5%	+14.5%	+7.4%	-2.5%	-5.1%	-9.8%	+20.8%	+19.7%	-1.6%	-0.5%	-7.4%	-6.1%	-
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	25,547	25,228	-
	Composition	-	-	-	37.9%	38.0%	34.5%	42.3%	39.5%	42.0%	37.0%	40.5%	34.8%	33.7%	31.0%	36.9%	34.6%	39.5%	37.0%	-
	YOY change	-	-	-	-	-	+7.0%	+34.1%	+30.9%	+6.6%	-8.7%	-8.6%	-15.2%	+0.7%	+6.6%	+7.6%	+11.3%	-1.0%	+0.2%	-
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	39,204	43,046	-
	Composition	-	-	-	62.1%	62.0%	65.5%	57.7%	60.5%	58.0%	63.0%	59.5%	65.2%	69.0%	63.1%	65.4%	63.0%	60.5%	63.0%	-
	YOY change	-	-	-	+23.9%	+12.1%	+5.9%	+8.0%	+1.5%	-2.6%	-6.7%	+34.4%	+26.7%	-6.3%	-5.8%	-11.2%	-9.4%	-	-	

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

(Millions of yen)	FY2009		FY2010		FY2011		FY2012		FY2013		FY2014		FY2015		FY2016		FY2017		FY2018	
	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	152,162	148,869	-
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	185,459	192,824	-
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	337,622	341,693	-
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	78,676	72,329	-
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	59,743	60,564	-
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	138,420	132,893	-
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	199,202	208,799	-
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	337,622	341,693	-
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	35,144	33,540	-
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%	10.4%	9.8%	-
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	2,265.76	2,400.25	-
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%	57.8%	59.8%	-
Net income to equity capital ratio (%)	-	7.4%	-	5.7%	-	4.2%	-	1.5%	-	3.9%	-	5.1%	-	6.0%	-	7.0%	-	8.8%	-	-
Recurring profit to total assets ratio (%)	-	8.0%	-	5.2%	-	4.1%	-	5.0%	-	5.7%	-	6.2%	-	6.4%	-	7.2%	-	8.0%	-	-
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	18,952	24,358	-
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	-23,488	-7,614	-
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	-18,327	-7,808	-
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	25,730	34,780	-
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	-4,536	16,744	-
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	15,159	8,567	18,000
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	11,801	6,189	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	1,178	503	1,300
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	326	144	280
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	1,332	1,190	1,050
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	19,843	20,206	-
Number of new-graduate recruits	919	919	974	974	928	928	649	649	356	356	455	455	620	620	688	688	674	674	712	712
Number of regular recruits	491	1,117	256	512	211	370	251	450	154	379	247	549	292	499	271	687	339	575	399	-

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 (¥458 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 of 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.