



Results of Operations for FY2012

May 9, 2013

FUJISOFT INCORPORATED



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Change of Fiscal Year End

- The Company plans to change its fiscal year end to December 31, beginning in FY2013.
[This change is subject to approval of the proposal on the partial amendment to the Articles
of Incorporation at the 43rd Ordinary General Meeting of Shareholders to be held on June 24, 2013.]



Consolidated Financial Results for FY2012

Consolidated Financial Highlights

Net sales rose 3.2% year on year mainly due to increased sales at FUKJISOFT INCORPORATED.

- ◇ Consolidated net sales came to 138,211 million yen, up 3.2% year on year, due to increased sales at FUJISOFT INCORPORATED (“the Company”) (by 5,918 million yen) and sales growth at its subsidiaries including VINCULUM JAPAN Corporation and CYBER COM Co., Ltd., offsetting the exclusion of FUJISOFT KCS Co., Ltd. from the scope of consolidation and decreased sales at VIXUS INCORPORATED.

Operating income and ordinary income increased sharply.

- ◇ Operating income came to 7,349 million yen, an increase of 47.0% year on year, chiefly as a result of an increase in net sales, improvement in profitability, and control of SG&A expenses at the Company.
- ◇ Ordinary income stood at 8,045 million yen, climbing 76.6% year on year, due to substantial improvement in the performance of equity-method affiliate Ace Securities Co., Ltd.

(Million yen)

	FY2011 (Result)	FY2012 (Result)	YoY change (Amount)	YoY change (%)	FY2012	
					Plan	Comparison with the plan
Net sales	133,912	138,211	+4,299	103.2%	137,600	100.4%
Operating income	4,998	7,349	+2,350	147.0%	7,300	100.7%
Operating income margin	3.7%	5.3%	+1.6		5.3%	
Ordinary income	4,556	8,045	+3,489	176.6%	7,050	114.1%
Ordinary income margin	3.4%	5.8%	+2.4		5.1%	
Net income	1,703	4,002	+2,298	234.9%	3,200	125.1%
Net income margin	1.3%	2.9%	+1.6		2.3%	

Sales by Major Companies of the Group

(Million yen)

		FY2011 (Result)	FY2012 (Result)	YoY change (Amount)	YoY change (%)	FY2012	
						Plan	Comparison with the plan
FUJISOFT INCORPORATED	(TSE 1st Section)	73,620	79,539	+5,918	108.0%	78,100	101.8%
CYBERNET SYSTEMS Co., Ltd.	(TSE 1st Section)	13,613	13,575	-38	99.7%	14,000	97.0%
VINCULUM JAPAN Corporation	(JASDAQ)	9,156	10,836	+1,679	118.3%	10,300	105.2%
CYBER COM Co., Ltd.	(JASDAQ)	6,483	7,163	+679	110.5%	6,890	104.0%
VIXUS INCORPORATED	(Unlisted)	17,851	16,484	-1,366	92.3%	18,000	91.6%

Highlights in Sales by Major Companies of the Group (See p. 13 for non-consolidated financial results.)

● CYBERNET SYSTEMS Co., Ltd.

In mainstay CAE products, the performance of maintenance contract renewals remained strong, although new license sales growth was sluggish, especially in the electrical equipment sector. As a result, sales fell 0.3% year on year.

● VINCULUM JAPAN Corporation

With the pursuit of the customer specification strategy, outsourcing projects both in Japan and overseas and solution projects associated with a MD mission-critical system increased. Consequently, sales rose 18.3% year on year.

● CYBER COM Co., Ltd.

Sales climbed 10.5% year on year as a result of strong sales of network and server construction, operation, and maintenance services, as well as firm sales in projects for small base stations in communications software development.

● VIXUS INCORPORATED

Sales declined 7.7% year on year, attributable to a fall in the size of existing outsourcing projects and curbs on investment at major customers, despite the winning of orders for hardware replacement and infrastructure building projects from major customers as planned.



Operating Income by Major Companies of the Group

(Million yen)

		FY2011 (Result)	FY2012 (Result)	YoY change (Amount)	YoY change (%)	FY2012 Plan	Comparison with the plan
FUJISOFT INCORPORATED	(TSE 1st Section)	2,977	4,651	+1,674	156.2%	4,410	105.5%
CYBERNET SYSTEMS Co., Ltd.	(TSE 1st Section)	631	555	-76	87.9%	697	79.7%
VINCULUM JAPAN Corporation	(JASDAQ)	-89	80	+170	-	263	30.5%
CYBER COM Co., Ltd.	(JASDAQ)	230	377	+146	163.7%	348	108.4%
VIXUS INCORPORATED	(Unlisted)	1,103	1,030	-73	93.3%	-	-

Highlights in Operating Income by Major Companies of the Group (See p. 13 for non-consolidated financial results.)

● CYBERNET SYSTEMS Co., Ltd.

Although net sales and the cost of sales remained on the same level as the previous year, other expenses including research expenses aimed at strengthening products increased.

Consequently operating income fell 12.1% year on year. However, ordinary income rose 4.6% year on year, bolstered by foreign exchange gains.

● VINCULUM JAPAN Corporation

Although income was affected by temporarily unprofitable projects in the 3rd quarter, on a full-year basis, the cost ratio and SG&A ratio improved. As a result, the Company, which made a loss the previous year, returned to profitability.

● CYBER COM Co., Ltd.

Profitability improved as a result of efforts to increase productivity and improve development efficiency by adopting a standard development model to improve quality, utilizing OSS and focusing on component-based software development. Consequently, operating income climbed 63.7% year on year.

● VIXUS INCORPORATED

Operating income fell 6.7% year on year, mainly due to decline in net sales.



Consolidated Sales by Segment

(Million yen)

	FY2011		FY2012		YoY change (Amount)	YoY change (%)
	(Results)	Component ratio	(Results)	Component ratio		
Total net sales	133,912	100.0%	138,211	100.0%	+4,299	103.2%
SI Business	125,351	93.6%	129,437	93.7%	+4,085	103.3%
Embedded Software Development	36,701	27.4%	39,753	28.8%	+3,052	108.3%
Operation Software Development	50,074	37.4%	52,265	37.8%	+2,191	104.4%
Outsourcing Business	15,056	11.2%	13,892	10.1%	-1,164	92.3%
Other SI Business	23,519	17.6%	23,525	17.0%	+6	100.0%
Facility Business	1,976	1.5%	2,024	1.5%	+48	102.5%
Other Businesses	6,583	4.9%	6,749	4.9%	+165	102.5%

Highlights of Sales by Segment

● Embedded Software Development

Sales increased, reflecting strong sales in machine control software mainly in the automotive field and solid sales of communications control software associated mainly with base stations.

● Operation Software Development

Despite the adverse effect of the exclusion of FUJISOFT KCS from the scope of consolidation, sales rose, attributable to strong sales associated with license business and financial integration projects involving credit card companies and nonlife insurance companies at the Company as well as in the Internet business, including e-commerce.

● Outsourcing Business

Sales declined as a result of excluding FUJISOFT KCS from the scope of consolidation, despite higher sales at the Company and VINCULUM JAPAN.

● Other SI Business

Despite differences in performance according to product, generally sales were unchanged from a year ago.



Consolidated Income Statement

(Million yen)

	FY2011	FY2012	YoY change (Amount)	YoY change (%)	FY2012	
	(Results)	(Results)			Plan	Comparison with the plan
Net sales	133,912	138,211	+4,299	103.2%	137,600	100.4%
Cost of sales	102,758	105,483	+2,725	102.7%	104,800	100.7%
Cost of sales margin	76.7%	76.3%	-0		76.2%	
Gross profit	31,153	32,727	+1,573	105.1%	32,800	99.8%
Gross profit margin	23.3%	23.7%	+0		23.8%	
SG&A expenses	26,155	25,378	-776	97.0%	25,500	99.5%
SG&A expense ratio	19.5%	18.4%	-1		18.5%	
Operating income	4,998	7,349	+2,350 (1)	147.0%	7,300	100.7%
Operating income margin	3.7%	5.3%	+2		5.3%	
Non-operating income	499	552	+53	110.6%	-	-
Non-operating expenses	775	520	-255 (2)	67.1%	-	-
Equity in earnings (losses) of affiliates	-166	664	+830 (3)	-	-	-
Ordinary income	4,556	8,045	+3,489	176.6%	7,050	114.1%
Ordinary income margin	3.4%	5.8%	+2		5.1%	
Extraordinary income	41	355	+314 (4)	862.8%	-	-
Extraordinary loss	278	906	+627 (5)	325.3%	-	-
Income before income taxes	4,318	7,495	+3,176	173.6%	-	-
Total income taxes	2,360	3,245	+884	137.5%	-	-
Minority interests in income	254	247	-6	97.4%	-	-
Net income	1,703	4,002	+2,298	234.9%	3,200	125.1%
Net income margin	1.3%	2.9%	+2		2.3%	

Points in Income Statement

- (1) Operating income (up 2,350 million yen year on year)
Increased substantially with the contribution of a fall in the amortization of goodwill, in addition to improvements in profitability due to higher sales and cuts in SG&A expenses at the Company.
- (2) Non-operating expenses (down 255 million yen year on year)
Interest expenses declined in association with loan repayments.
(FUJISOFT: down 230 million yen)
- (3) Equity in earnings (losses) of affiliates (up 830 million yen year on year)
Equity in earnings of affiliates improved.
(Ace Securities: up 758 million)
- (4) Extraordinary income (up 314 million yen year on year)
Recorded a gain on the sale of shares in FUJISOFT KCS (284 million yen).
- (5) Extraordinary loss (up 627 million yen year on year)
Extraordinary loss increased due to the recognition of a loss on the impairment of fixed assets (TSE computer system: up 618 million yen), and the recording of merger-related expenses (VINCULUM, VIXUS : up 187 million yen).



Consolidated Balance Sheet

(Million yen)

	End of FY2011	End of FY2012	YoY Change (Amount)
Current assets	49,019	52,425	3,405
Cash and deposits	13,420	12,990	-430
Notes and accounts receivable-trade	28,364	29,000	+635
Work in process	1,662	2,101	+438
Short-term investment securities	162	3,024	+2,862 (1)
Other	5,409	5,308	-101
Noncurrent assets	106,724	100,734	-5,990
Property, plant and equipment	74,340	71,345	-2,995 (2)
Intangible assets	9,334	7,801	-1,533 (2)
Investments and other assets	23,049	21,587	-1,461 (1)
Total assets	155,744	153,160	-2,584
Current liabilities	40,343	40,702	358
Accounts payable-trade	7,902	8,295	392
Short-term loans payable / Current portion of long-term loans payable	17,632	16,060	-1,571 (3)
Accrued expenses	7,281	7,427	+145
Other	7,527	8,919	+1,392
Noncurrent liabilities	30,212	23,224	-6,988
Long-term loans payable	21,829	14,845	-6,984 (3)
Other	8,382	8,379	-3
Total liabilities	70,555	63,926	-6,629
Minority interests	10,401	10,204	-197
Total net assets	74,786	79,028	+4,242 (4)
Total liabilities and net assets	155,744	153,160	-2,584

Points of the Balance Sheet

- Short-term investment securities (Increase of 2,862 million yen from the end of the previous fiscal term)
Investments and other assets (Decrease of 1,461 million yen from the end of the previous fiscal term)
Acquired securities held short-term and sold investment securities.
- Property, plant and equipment (Decrease of 2,995 million yen from the end of the previous fiscal term)
Intangible assets (Decrease of 1,533 million yen from the end of the previous fiscal term)
Decreased mainly due to the amortization of software at the Company and its subsidiaries.
- Short-term loans payable (Decrease of 1,571 million yen from the end of the previous fiscal year)
Long-term loans payable (Decrease of 6,984 million yen from the end of the previous fiscal year)
Decreased as a result of the repayment of loans payable.
- Total net assets (Increase of 4,242 million yen from the end of the previous fiscal term)
Increased due to a rise in net income and an increase in the valuation difference on available-for-sale securities.

Consolidated Cash Flow Statement

(Million yen)

	FY2011 (Results)	FY2012 (Results)	YoY change (Amount)
Net cash provided by (used in) operating activities	12,352	12,807	+454
Net cash provided by (used in) investing activities	-2,910	-2,107	+802
Net cash provided by (used in) financing activities	-18,104	-10,515	+7,589
Effect of exchange rate change on cash and cash equivalents	-103	123	+226
Net increase (decrease) in cash and cash equivalents	-8,765	308	+9,073
Cash and cash equivalents at beginning of period	22,044	13,279	-8,765
Increase in cash and cash equivalents from newly consolidated subsidiary	0	110	+110
Cash and cash equivalents at end of period	13,279	13,698	+418

Highlights of Cash Flows

(1) Net cash provided by (used in) operating activities

Net cash provided by operating activities improved as a result of an increase in net income.

(2) Net cash provided by (used in) investing activities

Net cash used in investing activities was less than the previous year due to the sale of investment securities, which offset investment in property, plant and equipment and intangible fixed assets.

(3) Net cash provided by (used in) financing activities

Net cash used in financing activities reflects the repayment of loans as in the previous year.

Orders and Order Backlogs for the Consolidated SI Business

(Million yen)

	FY2012 result							
	Order backlog at beginning of term	YoY change (%)	Orders	YoY change (%)	Net sales	YoY change (%)	Order backlog at end of term	YoY change (%)
SI Business Total	32,752	105.1%	130,193	102.6%	129,437	103.3%	31,616	95.9%
Embedded Software Development	7,840	103.5%	40,054	108.3%	39,753	108.3%	8,141	103.8%
Operation Software Development	12,280	112.0%	53,913	104.9%	52,265	104.4%	12,705	103.5%
Outsourcing Business	6,881	102.5%	13,331	87.6%	13,892	92.3%	5,651	82.1%
Other SI Business	5,750	97.0%	22,893	98.1%	23,525	100.0%	5,119	89.0%

Highlights of Orders and Order Backlogs

● Highlights of orders

Orders in Embedded Software rose 8.3% year on year, reflecting strong demand for machine control software, particularly in the automotive field. In Operation Software Development, orders increased 4.9% year on year, attributable to strong orders associated with financial integration projects involving credit card companies and nonlife insurance companies as well as the Internet business, including e-commerce. Meanwhile, orders in Outsourcing Business declined 12.4% year on year with the exclusion of FUJISOFT KCS from the scope of consolidation. Orders in Other SI Business fell 1.9% year on year on declines for product projects at FUJISOFT and CYBERNET SYSTEMS. As a result, orders for the overall SI Business rose 2.6% year on year.

● Highlights of order backlogs

Order backlogs for Embedded Software rose 3.8% year on year, reflecting a rise in machine control software, particularly in the automotive field. Order backlogs for Operation Software rose 3.5% year on year, thanks primarily to orders for large projects at the Company, despite the effect of the exclusion of FUJISOFT KCS from consolidation.

Order backlogs in Outsourcing Business declined 17.9%, primarily attributable to downsizing in maintenance and operation for major customers at VIXUS and the elimination of FUJISOFT KCS from consolidation. Order backlogs in Other SI Business decreased 11.0% due to an end to sales of products related to feature phones for which orders were received in the previous fiscal year (a product project continued for two years). Consequently, order backlogs for the overall SI Business slipped 4.1% year on year.



Non-Consolidated Financial Results for FY2012



Non-Consolidated Income Statement

(Million yen)

	FY2011 (Results)	FY2012 (Results)	YoY change (Amount)	YoY change (%)	FY2012 (Plan)	Comparison with plan
Net sales	73,620	79,539	+5,918 (1)	108.0%	78,100	101.8%
Cost of sales	56,094	60,820	+4,725	108.4%	59,630	102.0%
Cost of sales margin	76.2%	76.5%	+0.3		76.4%	
Gross profit	17,525	18,719	+1,193	106.8%	18,470	101.3%
Gross profit margin	23.8%	23.5%	-0.3		23.6%	
SG&A expenses	14,548	14,067	-480	96.7%	14,060	100.1%
SG&A expense ratio	19.8%	17.7%	-2.1		18.0%	
Operating income	2,977	4,651	+1,674 (2)	156.2%	4,410	105.5%
Operating income margin	4.0%	5.8%	+1.8		5.6%	
Ordinary income	3,069	4,713	+1,643	153.5%	4,450	105.9%
Ordinary income margin	4.2%	5.9%	+1.8		5.7%	
Income before income taxes	3,050	6,206	+3,155	203.4%	5,930	+1.0
Pre-tax profit margin	4.1%	7.8%	+3.7		7.6%	
Net income	1,932	4,082	+2,150 (3)	211.3%	3,750	108.9%
Net income margin	2.6%	5.1%	+2.5		4.8%	

Main Points of Non-Consolidated Results

(1) Net sales (up 5,918 million yen year on year)

In Embedded Software Development, sales associated with machine control software were brisk, especially in the automotive field. In Operation Software Development, sales from financial integration projects involving credit card companies and nonlife insurance companies as well as the performance of the Internet business, including e-commerce, were strong.

(2) Operating income (up 1,674 million yen year on year)

Growth in operating income, attributable chiefly to an increase in sales and cuts in SG&A expenses

(3) Net income (up 2,150 million yen year on year)

A significant increase in net income due to the posting of extraordinary income (1,482 million yen) associated with the sale of shares in FUJISOFT KCS



Results Forecasts for FY2013



Consolidated Results Forecasts for FY2013

(Million yen)

	FY2012 (Result)	FY2012 Q3 (Result)	FY2013 (Forecast)	YoY change (Amount)	YoY change (%)
Net sales	138,211	102,118	104,000	+1,881	101.8%
Cost of sales	105,483	77,824	78,800	+975	101.3%
Cost of sales margin	76.3%	76.2%	75.8%	-	-
Gross profit	32,727	24,293	25,200	+906	103.7%
Gross profit margin	23.7%	23.8%	24.2%	-	-
SG&A expenses	25,378	18,909	19,500	+590	103.1%
SG&A expense ratio	18.4%	18.5%	18.8%	-	-
Operating income	7,349	5,383	5,700	+316	105.9%
Operating income margin	5.3%	5.3%	5.5%	-	-
Ordinary income	8,045	5,455	5,600	+144	102.6%
Ordinary income margin	5.8%	5.3%	5.4%	-	-
Net income	4,002	2,496	2,700	+203	108.2%
Net income margin	2.9%	2.4%	2.6%	-	-

Non-Consolidated Results Forecasts for FY2013

(Million yen)

	FY2012 (Result)	FY2012 Q3 (Result)	FY2013 (Forecast)	YoY change (Amount)	YoY change (%)
Net sales	79,539	57,990	61,000	+3,009	105.2%
Cost of sales	60,820	44,163	46,500	+2,336	105.3%
Cost of sales margin	76.5%	76.2%	76.2%	-	-
Gross profit	18,719	13,826	14,500	+673	104.9%
Gross profit margin	23.5%	23.8%	23.8%	-	-
SG&A expenses	14,067	10,306	10,400	+93	100.9%
SG&A expense ratio	17.7%	17.8%	17.0%	-	-
Operating income	4,651	3,520	4,100	+579	116.5%
Operating income margin	5.8%	6.1%	6.7%	-	-
Ordinary income	4,713	3,699	4,200	+500	113.5%
Ordinary income margin	5.9%	6.4%	6.9%	-	-
Net income	4,082	3,337	2,600	-737	77.9%
Net income margin	5.1%	5.8%	4.3%	-	-

Dividend

Dividend at End of FY2012

In light of the business results, the year-end dividend per share will be 13 yen. The Company plans to distribute 21 yen per share for the fiscal year ending December 31, 2013.

■ Trends in per-share net income, dividend and dividend payout ratio

Consolidated	(Yen)				
	FY2009 (Result)	FY2010 (Result)	FY2011 (Result)	FY2012 (Result)	FY2013 (Forecast)
Per-share net income	116.37	78.77	53.70	127.67	86.80
Dividend per share	15	20	20	24	21
Dividend payout ratio	12.9%	25.4%	37.2%	18.8%	24.2%

Reference: Quarterly earnings per share for the first nine months of the fiscal year ended March 31, 2013 are 79.54 yen.

For the first nine months of the fiscal year ended March 31, 2013, the payout ratio, assuming that the Company distributes 21 yen per share, is 26.4%.



Progress of Medium-Term Strategies



Innovation Company Group that Connects ICT Development with Value Improvement of Customers

Provision of operation and control systems that help business survive in the era of global competition

Distribution, finance, services, manufacturing, Internet business, social infrastructure, communication, education, healthcare, public offices

Providing advanced software and hardware in the Internet age



- For further
- Improvement in added value
 - Creation of new businesses
 - Strengthening of competitive
 - Advantage of customers

A variety of assets and expertise

A variety of assets and expertise

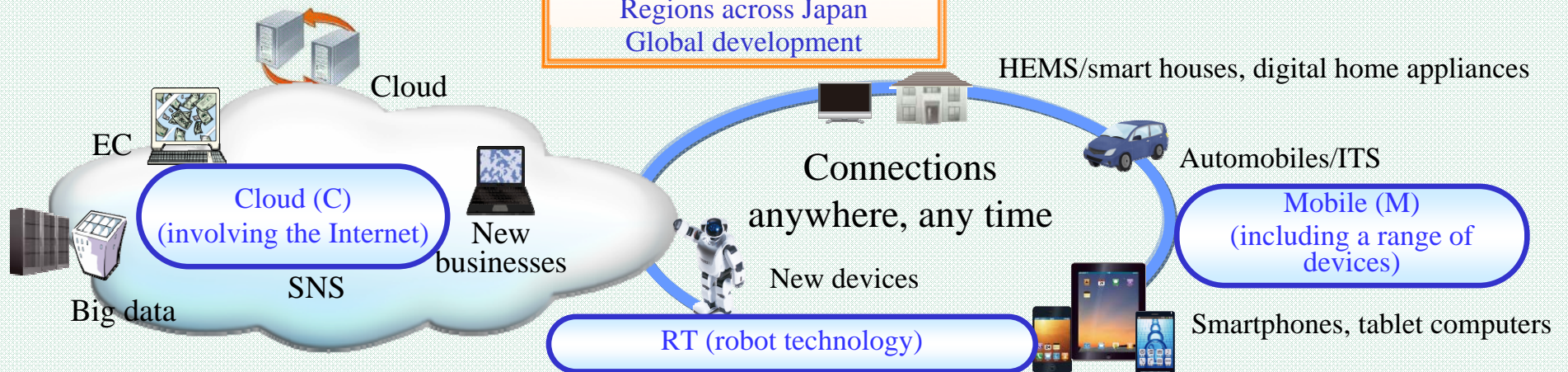
Challenges to a high value-added business structure and its creation

Support for the use of the most advanced ICT

All kinds of system support related to ICT

High value-added products and services

Regions across Japan
Global development



Enhancing added value using the Company's robot technology and product assets

Added Value Improvement - Strengthen Initiatives in Areas of Strength -

Strengthening and development in the field of ICT technologies

<Mobile and cloud-related field>

MS and Google-related technologies

Technologies to build cloud-related infrastructure and applications (including AWS, SFDC, etc.)

Telecommunications-related technologies, etc.

Development in growth areas and areas of demand expansion

Internet business, automotive

Telecommunications infrastructure, Social infrastructure

Global development areas,

Financial integration area, etc.

Evolution and review of existing products

FSDTV Strengthening global development

FSmobile Strengthening product development

Sales expansion of embedded products, etc.

Added value improvement

Expansion and reinforcement of prime business

Strengthening project proposal capability and customer service capability

Growth in project size

Strengthening capability to push forward and manage projects, etc.

<Ongoing efforts>

Strengthening sales capability

Reviewing sales structure, Establishing and maintaining systems and information, Strengthening promotions, Strengthening utilization of the Internet, etc.

Improving productivity and quality

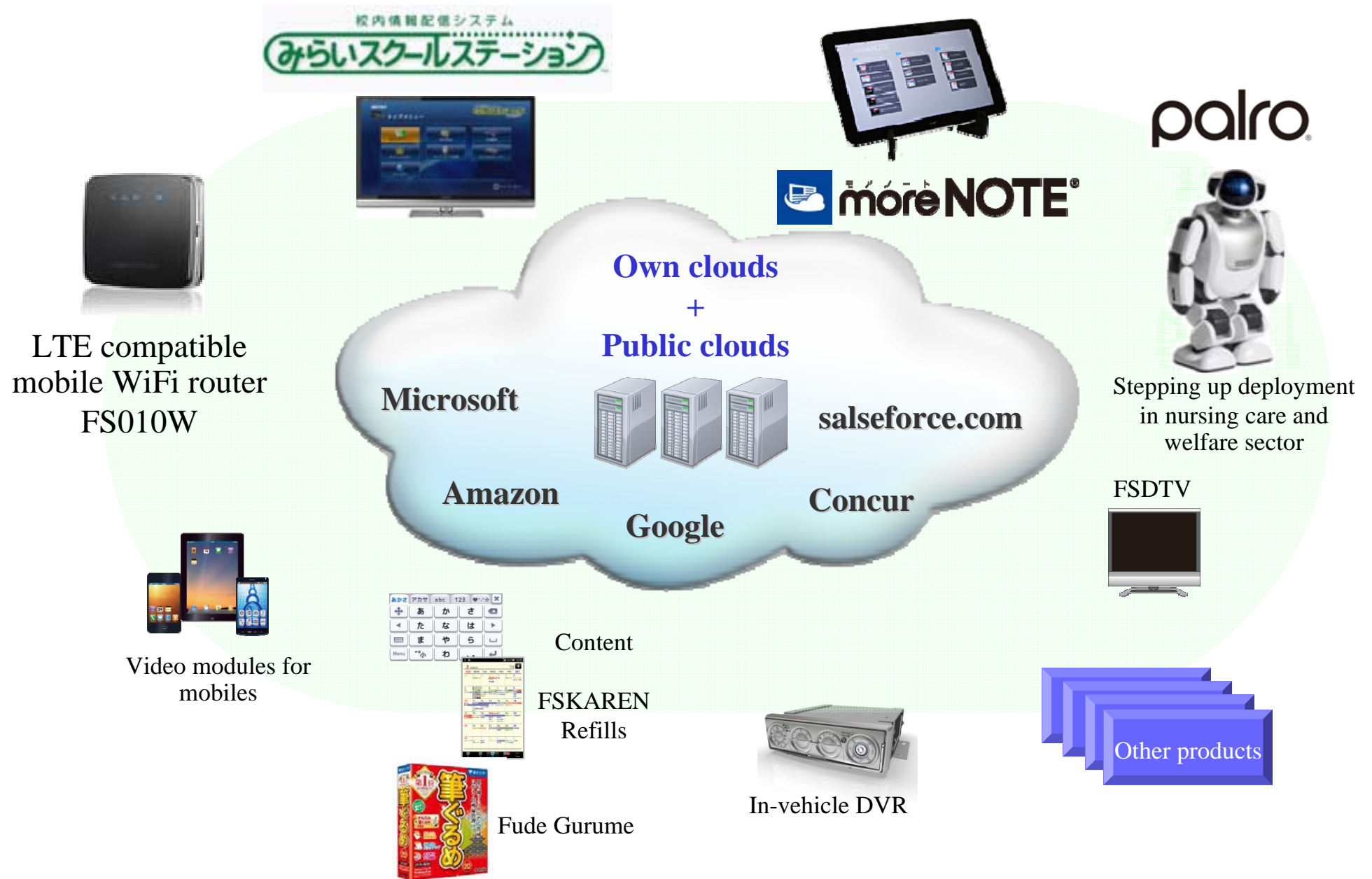
Preventing problems, Deploying development tools, Strengthening human resources (PM, architect, partner measures, etc.)

Constructing systems to promote efficient and effective operations

Implementing working from home program and BYOD, Strengthening specialist programs, Reviewing indirect operations, Cooperating within group, Reallocating human resources, etc.



Added Value Improvement - Deployment of Products and Services -





Group/Global Related

Group related

April 1
VINCULUM JAPAN Corporation and VIXUS INCOPORATED form joint venture VINX CORP.

February 19
Approves merger of VINCULUM JAPAN Corporation and VIXUS INCORPORATED.

October 1
FUJISOFT SERVICE BUREAU INCORPORATED merges with FUJISOFT SSS, INC.

March 19
VINCULUM JAPAN Corporation establishes a joint venture in Vietnam

July 31
Transfers all shares in FUJISOFT KCS Co., Ltd. to Daiko Clearing Services Corporation.

October 12
AEON Delight Co., Ltd., VINCULUM JAPAN Corporation, and Totyu Co., Ltd. establish a joint venture for the BPO business in China.

June 26
FUJISOFT increases its stake in VINCULUM CHINA Co., Ltd.

July 5
Opens the Seoul Branch of FUJISOFT.

July 1
Establishes VINCULUM MALAYSIA Sdn. Bhd.

July 1
Establishes Cybernet Systems Korea Co., Ltd.

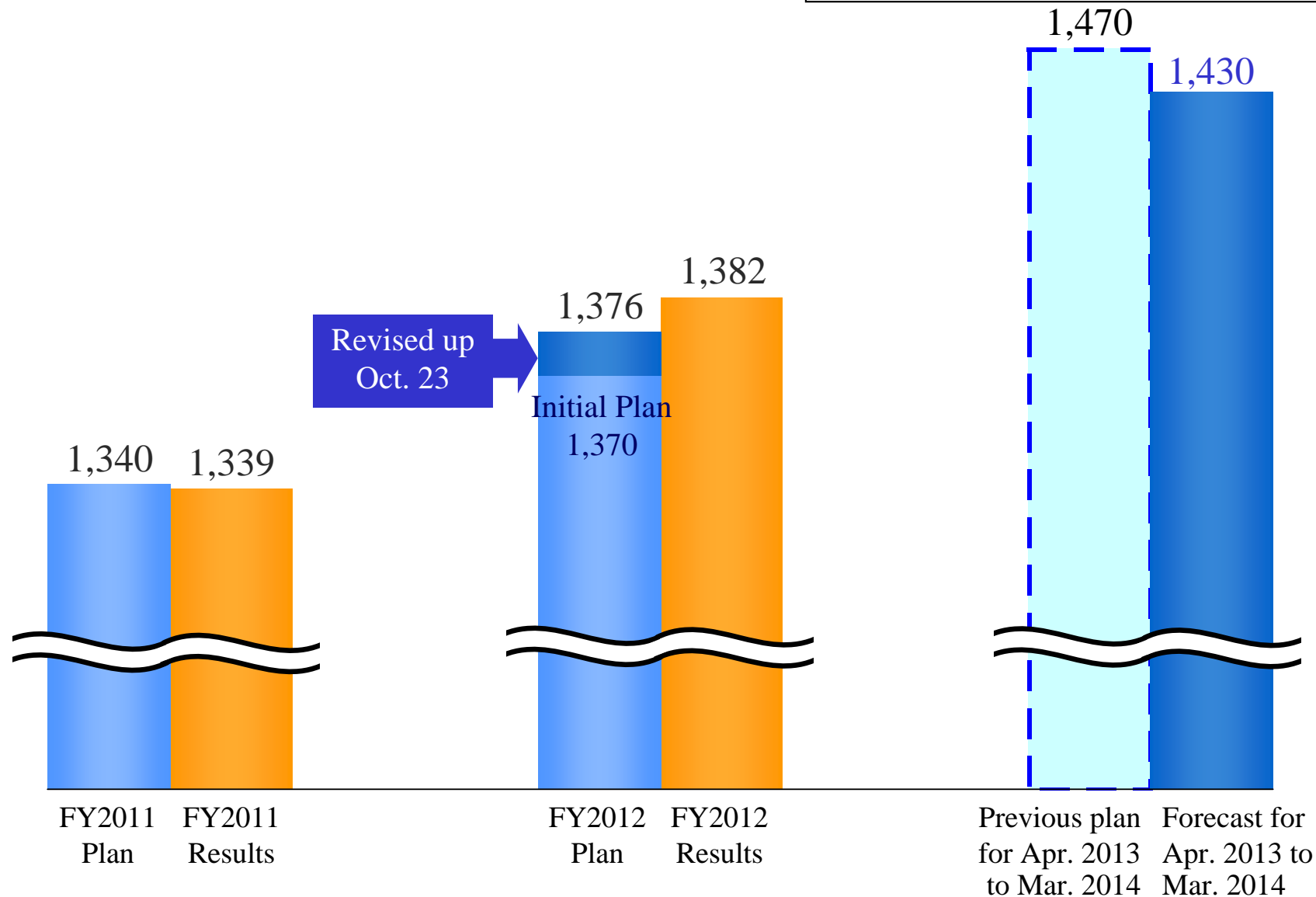
Global related



Changes in Consolidated Sales

(100 million yen)

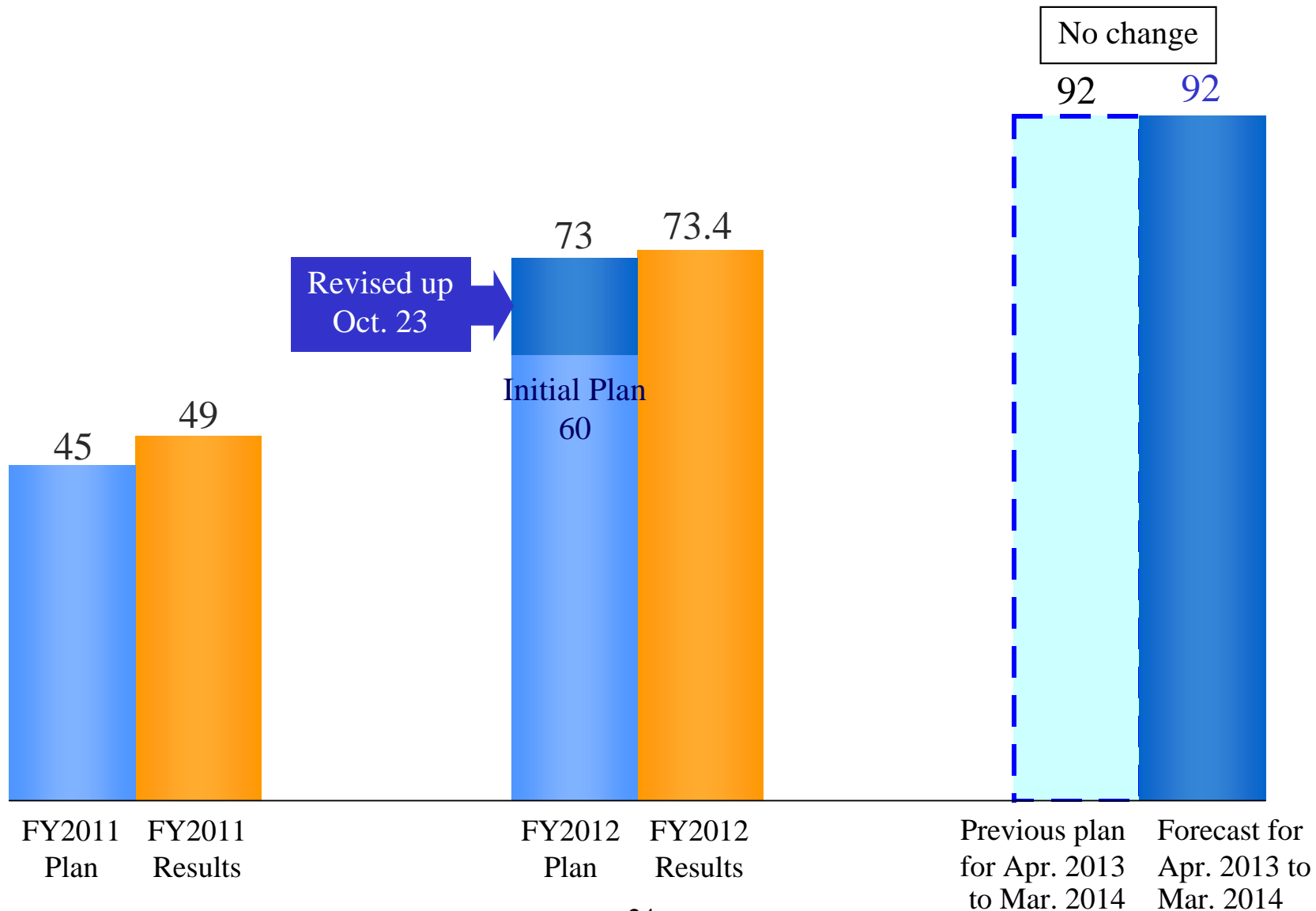
Reviewed due to the exclusion of FUJISOFT KCS from the scope of consolidation (down 40)





Changes in Consolidated Operating Income

(100 million yen)





Reference Materials

Product Spotlight (1)

moreNOTE

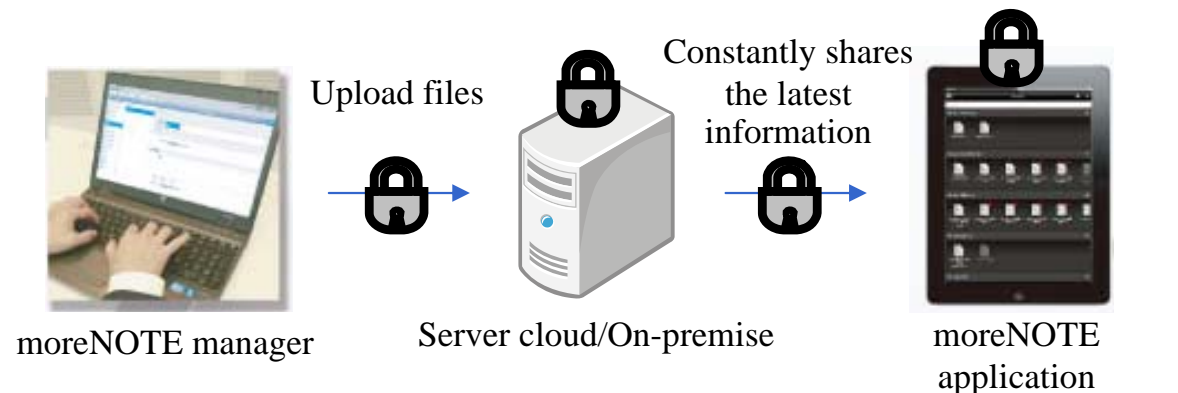
The moreNote service allows you to upload your documents to a dedicated server with a Windows 8 tablet or iPad/iPhone and browse them easily and securely any time, anywhere. Besides putting your latest product catalogs and proposal drafts at your disposal, moreNote will help you deliver effective meetings and presentations with functions such as the pairing function for synchronizing screen operation with another terminal, the pointer function and the pen function. The Company launched moreNote in August 2012 and aims to sell the service to a total of 1,000 companies by March 2014.



<Applications>

- Sales presentations
- Paperless meetings
- Filing tool

<Mechanism of moreNOTE>



Product Spotlight (2)

Mirai School Station

Mirai School Station is an information distribution system for distributing teaching materials and other content from the school server to digital TVs in classrooms via the internal LAN. It is built to use the infrastructure (DTV, PCs, internal LAN) put in place in accordance with the School New Deal Plan laid out by the Ministry of Education, Culture, Sports, Science and Technology. The Company began sales in FY2009 and aims to introduce the system to a total of 1,000 schools by March 2015.



<Main features>

- Live video streaming
Morning assemblies/School broadcasts/Streaming of events
- Viewing of teaching material and other content
- Bulletin Board System
School lunch menu/Timetable/This month's schedule
- Interactive blackboard
- Distribution of emergency disaster information

<Cases of introduction> (As of Mar. 2013) **82 schools (STB 1,583 units)**

- Yokohama City Board of Education 66 schools
- Kamakura City Board of Education 4 schools
- Nakai Town Board of Education (Kanagawa Prefecture) 1 school
- Nishinomiya City Board of Education (Hyogo Prefecture) 1 school
- Kanagawa Prefectural Hiratsuka School for the Deaf
- Shonan Shirayuri Gakuen Elementary School
- Nada Junior High School, Nada High School etc.

Product Spotlight (3)

PALRO

In June 2012, the Company started selling a model equipped with long-term nursing care prevention functions prescribed by the Ministry of Health, Labour and Welfare to welfare facilities for the elderly.

On introducing PALRO to the nursing care sector, the Company saw first hand how overworked and overstretched nursing staff are. To ease this situation, from April 2013, we equipped PALRO with additional entertainment functions for providing recreation independently, and expect to expand sales in FY2013.



<PALRO recreation>

- One PALRO robot can provide around 20 minutes' entertainment.
- One PALRO robot can provide recreation for 15 to 20 elderly people
- PALRO will not cause trouble for staff.
- PALRO will not bore the users even if used every day of the year.
- Each day's program is transmitted using cloud computing technologies.
- PALRO also incorporates long-term nursing prevention activities.



<MHLW long-term care prevention items>

- Functional improvement of athletic tools
- Prevention of and support for cognitive impairment
- Improvement of oral function
- Prevention of and support for homeboundness
- Prevention of and support for depression
- Nutrition improvement

Working with research institution to measure effect on improvement of physical functions and effectiveness for nursing care of cognitively impaired elderly people.

Product Spotlight (4)

LTE compatible mobile WiFi router “FS010W”

In March 2013, the Company launched a mobile WiFi router compatible with NTT DoCoMo’s Xi (crossy) service.

<Product Features>

- Wide service area, supporting tri-band LTE/tri-band 3G
- Offers maximum speed for NTT DoCoMo line
- Compact and lightweight



The Company also provides the router for the LTE/3G data communication service NURO LTE launched on April 15 by So-net Entertainment Corporation.

The Company aims to sell the router to a total of 10 carriers by March 2014.



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