



# Results of Operations for FY2014

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February 13, 2015

**FUJI SOFT INCORPORATED**



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From FY2013, the fiscal year end changed to December.

The YoY change (amount) and YoY change (%) in this material are comparisons with the same period of the previous year (from January 1, 2013 to to December 31, 2013) corresponding to the period under review (from January 1, 2014 to December 31, 2014).



# Consolidated Results for FY2014

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## Consolidated Financial Highlights

Net sales rose, reflecting generally strong performances at the Company and at each consolidated subsidiary.

- ◇ Consolidated net sales rose 4.9% year on year, to 148,452 million yen, reflecting generally strong performances at the Company and at each consolidated subsidiary.

Operating income rose, and net income fell due to a decline in the share of profit of entities accounted for using the equity method.

- ◇ Operating income rose 8.2% year on year, to 8,305 million yen, chiefly reflecting a rise in sales at FUJI SOFT INCORPORATED and a reduction in SG&A expenses at consolidated companies.
- ◇ Net income fell mainly due to a decline in the share of profit of entities accounted for using the equity method.

|                         | Jan.-Dec. 2013<br>Results | FY2014<br>Results | YoY<br>change<br>(Amount) | YoY<br>change<br>(%) | FY2014  |                         | (For reference) |                         |
|-------------------------|---------------------------|-------------------|---------------------------|----------------------|---------|-------------------------|-----------------|-------------------------|
|                         |                           |                   |                           |                      | Plan    | Comparison<br>with plan | Initial plan    | Comparison<br>with plan |
| <b>Net sales</b>        | 141,493                   | 148,452           | +6,958                    | 104.9%               | 149,200 | 99.5%                   | 144,000         | 103.1%                  |
| <b>Operating income</b> | 7,679                     | 8,305             | +626                      | 108.2%               | 8,300   | 100.1%                  | 7,800           | 106.5%                  |
| Operating income margin | 5.4%                      | 5.6%              |                           |                      | 5.6%    |                         | 5.4%            |                         |
| <b>Ordinary income</b>  | 9,175                     | 9,269             | +93                       | 101.0%               | 8,500   | 109.1%                  | 7,700           | 120.4%                  |
| Ordinary income margin  | 6.5%                      | 6.2%              |                           |                      | 5.7%    |                         | 5.3%            |                         |
| <b>Net income</b>       | 5,201                     | 4,874             | -326                      | 93.7%                | 4,800   | 101.6%                  | 4,300           | 113.3%                  |
| Net income margin       | 3.7%                      | 3.3%              |                           |                      | 3.2%    |                         | 3.0%            |                         |



# Sales/Operating Income by Major Companies of the Group

(Million yen)

|                                   | Net sales                 |                   |                           |                      | Operating income          |                   |                           |                      |
|-----------------------------------|---------------------------|-------------------|---------------------------|----------------------|---------------------------|-------------------|---------------------------|----------------------|
|                                   | Jan.-Dec. 2013<br>Results | FY2014<br>Results | YoY<br>change<br>(Amount) | YoY<br>change<br>(%) | Jan.-Dec. 2013<br>Results | FY2014<br>Results | YoY<br>change<br>(Amount) | YoY<br>change<br>(%) |
| <b>FUJI SOFT INCORPORATED</b>     | 82,865                    | 88,027            | +5,162                    | 106.2%               | 4,912                     | 5,212             | +299                      | 106.1%               |
| <b>CYBERNET SYSTEMS Co., Ltd.</b> | 15,388                    | 15,396            | +8                        | 100.1%               | 845                       | 810               | -34                       | 95.9%                |
| <b>VINX Corporation</b>           | 27,390                    | 27,710            | +319                      | 101.2%               | 1,331                     | 1,681             | +350                      | 126.3%               |
| <b>CYBER COM Co., Ltd.</b>        | 7,474                     | 8,100             | +626                      | 108.4%               | 438                       | 486               | +48                       | 111.0%               |

\* Of the results of VINX Corporation for the previous fiscal year, results for the Jan.-Mar. quarter are a simple aggregation of the results of the former VINCULUM JAPAN Corporation and former VIXUS INCORPORATED.

\* The fiscal year of FUJI SOFT INCORPORATED and CYBERNET SYSTEMS ends in December, and that of VINX and CYBER COM ends in March.

\* The result for VINX and CYBER COM in the FY2014 Results column is the simple aggregation of the results for the fourth quarter of FY2013 and the first three quarters of FY2014.

## Highlights in Sales/Operating Income by Major Companies of the Group

### ● FUJI SOFT INCORPORATED

Sales increased, mainly due to strong sales related to automobiles, network equipment, the Internet business, and the license business, offsetting continued decline in the mobile business, which was hit by a contraction in the mobile phone business at a major customer. And although such related expenses due to sales promotion and enhanced hiring activity associated with related products have increased, by suppressing expenses related to sales and management and increased sales, operating income increased.

### ● CYBERNET SYSTEMS Co., Ltd.

Sales remained flat from a year ago with a rise in sales at development subsidiaries in North America and strong sales in the mainstay structural analysis software business, mainly in the machinery industry, offset by sluggish sales of new licenses in the electronics field and optics and lighting field. Although CYBERNET SYSTEMS worked to reduce SG&A expenses, operating income declined due to the high cost rate of a new large-scale project for an education institution.

### ● VINX Corporation

Sales grew, reflecting special demand associated with the change in the consumption tax rate in January through March last year and the growth in business with large general retailers, which are primary customers. Operating income increased, reflecting efforts to reduce costs by increasing business efficiency and streamlining the business administration system through business integration.

### ● CYBER COM Co., Ltd.

Sales rose on the back of overall strong performance in software development, the mainstay business, and the expansion of SI services, including construction, maintenance, and operation services, reflecting demand for enhancing cloud computing and networks. Operating income increased as a result of sales growth.



# Consolidated Sales by Segment

(Million yen)

|                              | Jan.-Dec. 2013 |                    | FY2014  |                    | YoY change<br>(Amount) | YoY change<br>(%) |
|------------------------------|----------------|--------------------|---------|--------------------|------------------------|-------------------|
|                              | Results        | Component<br>ratio | Results | Component<br>ratio |                        |                   |
| <b>Total net sales</b>       | 141,493        | 100.0%             | 148,452 | 100.0%             | +6,958                 | 104.9%            |
| <b>SI Business</b>           | 132,396        | 93.6%              | 138,108 | 93.0%              | +5,712                 | 104.3%            |
| <b>System Construction</b>   | 77,615         | 54.9%              | 78,603  | 52.9%              | +988                   | 101.3%            |
| Embedded/Control Software    | 37,627         | 26.6%              | 37,918  | 25.5%              | +291                   | 100.8%            |
| Operation Software           | 39,988         | 28.3%              | 40,684  | 27.4%              | +696                   | 101.7%            |
| <b>Products and Services</b> | 54,780         | 38.7%              | 59,504  | 40.1%              | +4,723                 | 108.6%            |
| Products and Services        | 35,076         | 24.8%              | 40,156  | 27.1%              | +5,080                 | 114.5%            |
| Outsourcing                  | 19,704         | 13.9%              | 19,348  | 13.0%              | -356                   | 98.2%             |
| <b>Facility Business</b>     | 2,026          | 1.4%               | 2,217   | 1.5%               | +190                   | 109.4%            |
| <b>Other Businesses</b>      | 7,070          | 5.0%               | 8,126   | 5.5%               | +1,055                 | 114.9%            |

## Highlights of Sales by Segment

### ● Embedded/Control Software

Sales rose a slight 0.8% year on year, with a decrease in sales in the mobile business more than offset by strong sales in the machine control business in areas such as automobile-related projects and FA and the social infrastructure business, especially in telecommunications infrastructure such as telecommunications equipment and base stations.

### ● Operation Software

Sales climbed 1.7% year on year, chiefly reflecting growth in the Internet business, which offset decline attributable to the absence of an integration project in the financial field and a large education-related project recorded by the Company in the previous fiscal year.

### ● Products and Services

Sales jumped 14.5% year on year mainly because of the strong performance in the Company's license business, driven by Microsoft products.

### ● Outsourcing

Sales declined 1.8% year on year chiefly due to the adverse effect of the business integration of a major customer of the Company.



# Consolidated Income Statement

(Million yen)

|   | Jan.-Dec.<br>2013<br>Results | FY2014<br>Results | YoY<br>change<br>(Amount) | YoY<br>change<br>(%) | FY2014<br>Plan | Comparison<br>with the plan |
|---|------------------------------|-------------------|---------------------------|----------------------|----------------|-----------------------------|
| <b>Net sales</b>  | 141,493                      | 148,452           | +6,958                    | 104.9%               | 149,200        | 99.5%                       |
| <b>Cost of sales</b>  | 107,585                      | 113,799           | +6,213                    | 105.8%               | 114,600        | 99.3%                       |
| Cost of sales margin  | 76.0%                        | 76.7%             | + 0.6 (1)                 |                      | 76.8%          |                             |
| <b>Gross profit</b>   | 33,907                       | 34,652            | +745                      | 102.2%               | 34,600         | 100.2%                      |
| Gross profit margin   | 24.0%                        | 23.3%             | -0.6                      |                      | 23.2%          |                             |
| <b>SG&amp;A expenses</b>  | 26,228                       | 26,347            | +119 (2)                  | 100.5%               | 26,300         | 100.2%                      |
| SG&A expense ratio  | 18.5%                        | 17.7%             | -0.8                      |                      | 17.6%          |                             |
| <b>Operating income</b>   | 7,679                        | 8,305             | +626                      | 108.2%               | 8,300          | 100.1%                      |
| Operating income margin   | 5.4%                         | 5.6%              | + 0.2                     |                      | 5.6%           |                             |
| <b>Non-operating income</b>   | 732                          | 713               | -19                       | 97.3%                | —              | —                           |
| <b>Non-operating expenses</b>   | 600                          | 409               | -191 (3)                  | 68.1%                | —              | —                           |
| <b>Share of (profit) loss of entities accounted for using equity method</b> | 1,364                        | 660               | -704 (4)                  | 48.4%                | —              | —                           |
| <b>Ordinary income</b>  | 9,175                        | 9,269             | +93                       | 101.0%               | 8,500          | 109.1%                      |
| Ordinary income margin  | 6.5%                         | 6.2%              | -0.2                      |                      | 5.7%           |                             |
| <b>Extraordinary income</b>   | 545                          | 31                | -514 (5)                  | 5.7%                 | —              | —                           |
| <b>Extraordinary losses</b>   | 1,191                        | 318               | -872 (6)                  | 26.7%                | —              | —                           |
| <b>Income before income taxes</b>   | 8,529                        | 8,982             | +452                      | 105.3%               | —              | —                           |
| <b>Total income taxes</b>   | 3,193                        | 3,337             | +143                      | 104.5%               | —              | —                           |
| <b>Minority interests in income</b>   | 134                          | 769               | +635 (7)                  | 571.8%               | —              | —                           |
| <b>Net income</b>   | 5,201                        | 4,874             | -326                      | 93.7%                | 4,800          | 101.6%                      |
| Net income margin   | 3.7%                         | 3.3%              | -0.4                      |                      | 3.2%           |                             |

## Points of the Income Statement

### (1) Cost of sales margin (up 0.6 pt)

Increased as a result of a rise in the ratio of the Company's license sales.

### (2) SG&A expenses (up 119 million yen)

Administration expenses continued to be curbed, but hiring expenses to strengthen human resources and selling expenses to bolster sales rose.

### (3) Non-operating expenses (down 191 million yen)

Fell mainly due to a decrease in interest expenses (down 157 million yen).

### (4) Share of (Profit) Loss of Entities Accounted for Using Equity Method (down 704 million yen)

Declined as a result of decreased profits at Ace Securities.

### (5) Extraordinary income (down 514 million yen)

Decreased reflecting the recording of a gain on change in equity associated with the merger of subsidiaries (VINX: 455 million yen) in the previous year.

### (6) Extraordinary losses (down 872 million yen)

Declined chiefly reflecting the recording of a loss on the impairment of fixed assets (TOSHO COMPUTER SYSTEMS : 885 million yen) in the previous year, despite the posting of a loss on retirement of non-current assets at a subsidiary.

### (7) Minority interests in income (up 635 million yen)

Affected by an increase in income especially at TOSHO COMPUTER SYSTEMS.



# Consolidated Balance Sheet

(Million yen)

|  | End of<br>FY2013 | End of<br>FY2014 | Change<br>(Amount) |
|--|------------------|------------------|--------------------|
| <b>Current assets</b>                              | 51,907           | 55,094           | 3,187              |
| Cash and deposits                                  | 14,345           | 15,244           | 898                |
| Notes and accounts receivable -<br>trade           | 28,260           | 30,136           | 1,875 (1)          |
| Short-term investment securities                   | 2,302            | 3,010            | 707                |
| Inventories  | 2,119            | 1,968            | -150               |
| Deferred tax assets                                | 1,742            | 2,150            | 408                |
| Other  | 3,137            | 2,584            | -553               |
| <b>Non-current assets</b>                          | 102,615          | 102,492          | -122               |
| Property, plant and equipment                      | 69,493           | 67,513           | -1,979             |
| Intangible assets                                  | 8,100            | 7,641            | -459               |
| Investments and other assets                       | 25,020           | 27,337           | 2,316 (2)          |
| <b>Total assets</b>                                | 154,522          | 157,587          | 3,065              |
| <b>Current liabilities</b>                         | 39,855           | 38,039           | -1,815             |
| Accounts payable - trade                           | 7,433            | 7,493            | 60                 |
| Short-term loans payable                           | 15,507           | 7,983            | -7,524 (3)         |
| Commercial papers                                  | 4,000            | 5,000            | 1,000 (3)          |
| Accrued expenses / provision for<br>bonuses        | 5,746            | 5,873            | 127                |
| Income taxes payable                               | 275              | 2,312            | 2,036 (4)          |
| Provision for loss on<br>construction<br>contracts | 79               | 140              | 60                 |
| Other  | 6,812            | 9,236            | 2,424              |
| <b>Non-current liabilities</b>                     | 19,595           | 19,021           | -573               |
| Long-term loans payable                            | 9,426            | 8,230            | -1,195 (3)         |
| Other  | 10,169           | 10,790           | 621                |
| <b>Total liabilities</b>                           | 59,450           | 57,061           | -2,389             |
| <b>Total net assets</b>                            | 95,072           | 100,526          | 5,454              |
| <b>Total liabilities and net assets</b>            | 154,522          | 157,587          | 3,065              |

## Points of the Balance Sheet

- (1) [Notes and accounts receivable](#) (Increase of 1,875 million yen)  
Reflected a rise in sales from commissioned development at the Company, among other factors.
- (2) [Investment and other assets](#) (Increase of 2,316 million yen)  
Increased mainly due to an increase in the appraised value of investment securities.
- (3) [Short-term loans payable](#) (Decrease of 7,524 million yen)  
[Commercial papers](#) (Increase of 1,000 million yen)  
[Long-term loans payable](#) (Decrease of 1,195 million yen)  
Declined by 7,719 million yen in total as loans were repaid as scheduled.
- (4) [Income taxes payable](#) (Increase of 2,036 million yen)  
Affected by a change in the fiscal year end.



# Consolidated Cash Flow Statement

(Million yen)

|  | Jan.-Dec. 2013<br>Results | FY2014<br>Results |
|--|---------------------------|-------------------|
| Cash flows from operating activities                                     | 11,140                    | 14,119            |
| Cash flows from investing activities                                     | -3,073                    | -3,697            |
| Cash flows from financing activities                                     | -5,665                    | -8,891            |
| Effect of exchange rate change on cash and cash equivalents              | 296                       | 127               |
| Net increase (decrease) in cash and cash equivalents                     | 2,697                     | 1,658             |
| Cash and cash equivalents at beginning of period                         | 11,631                    | 14,342            |
| Increase in cash and cash equivalents from newly consolidated subsidiary | 12                        | 135               |
| <b>Cash and cash equivalents at end of period</b>                        | <b>14,342</b>             | <b>16,135</b>     |

## Highlights of Cash Flows

### ● [Cash flows from operating activities](#)

Net cash provided by operating activities rose mainly because of a decline in tax payments because of the shorter (nine months) previous fiscal year due to the change in fiscal year end and due to an increase in consumption tax payable due to the increase in the consumption tax rate.

### ● [Cash flows from investing activities](#)

Net cash used in investing activities reflects expenditure for the acquisition of fixed assets including the Company's own products (software) and capital investment and for investment of surplus funds (acquisition of investments in securities).

### ● [Cash flows from financing activities](#)

As in the previous year, loans continued to be repaid.

# Orders and Order Backlogs for the Consolidated SI Business

(Million yen)

|                              | FY2014 Results                     |         |                |           |                |                              |                |
|------------------------------|------------------------------------|---------|----------------|-----------|----------------|------------------------------|----------------|
|                              | Order backlog at beginning of term | Orders  | YoY change (%) | Net sales | YoY change (%) | Order backlog at end of term | YoY change (%) |
| <b>SI Business Total</b>     | 26,337                             | 140,506 | 106.4%         | 138,108   | 104.3%         | 28,735                       | 109.1%         |
| <b>System Construction</b>   | 16,830                             | 81,157  | 104.6%         | 78,603    | 101.3%         | 19,384                       | 115.2%         |
| Embedded/Control Software    | 7,651                              | 38,565  | 103.9%         | 37,918    | 100.8%         | 8,299                        | 108.5%         |
| Operation Software           | 9,178                              | 42,591  | 105.3%         | 40,684    | 101.7%         | 11,085                       | 120.8%         |
| <b>Products and Services</b> | 9,507                              | 59,349  | 108.8%         | 59,504    | 108.6%         | 9,351                        | 98.4%          |
| Products and Services        | 6,453                              | 40,199  | 111.0%         | 40,156    | 114.5%         | 6,495                        | 100.7%         |
| Outsourcing                  | 3,054                              | 19,149  | 104.5%         | 19,348    | 98.2%          | 2,855                        | 93.5%          |

## Highlights of Orders and Order Backlogs

### ● Orders

- System Construction  
In Embedded/Control Software, orders in the machine control business in areas such as automobiles and FA were strong. In Operation Software, despite a decline in reaction to orders for large projects that FUJI SOFT INCORPORATED received in the financial industry in the previous fiscal year, orders rose, reflecting growth in the manufacturing business, Internet business and other Operation Software business.
- Products and Services  
Orders increased with strong orders in the license business, despite the adverse effect of the termination of a project for a major customer in Outsourcing at the Company.

### ● Order backlogs at the end of term

- System Construction  
Orders for Operation Software, especially software for the distribution and manufacturing industries, received in 4Q (from October to December) were strong, and, as a result, order backlogs increased 15.2% year on year.



# Results Forecasts for FY2015

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## Results Forecasts for FY2015

(Million yen)

|                          | FY2014<br>Results | FY2015<br>Plan | YoY<br>change<br>(Amount) | YoY change<br>(%) |
|--------------------------|-------------------|----------------|---------------------------|-------------------|
| <b>Net sales</b>         | 148,452           | 152,000        | +3,547                    | 102.4%            |
| <b>Cost of sales</b>     | 113,799           | 116,560        | +2,760                    | 102.4%            |
| Cost of sales margin     | 76.7%             | 76.7%          | -                         | -                 |
| <b>Gross profit</b>      | 34,652            | 35,440         | +787                      | 102.3%            |
| Gross profit margin      | 23.3%             | 23.3%          | -                         | -                 |
| <b>SG&amp;A expenses</b> | 26,347            | 26,940         | +592                      | 102.2%            |
| SG&A expense ratio       | 17.7%             | 17.7%          | -                         | -                 |
| <b>Operating income</b>  | 8,305             | 8,500          | +194                      | 102.3%            |
| Operating income margin  | 5.6%              | 5.6%           | -                         | -                 |
| <b>Ordinary income</b>   | 9,269             | 8,800          | -469                      | 94.9%             |
| Ordinary income margin   | 6.2%              | 5.8%           | -                         | -                 |
| <b>Net income</b>        | 4,874             | 4,800          | -74                       | 98.5%             |
| Net income margin        | 3.3%              | 3.2%           | -                         | -                 |



## Dividend

Dividend at the End of FY2015 is planned to be 28 yen per share.

Our basic policy is consistently returning profits to shareholders, while securing sufficient internal reserves in preparation for active business development and potential risks.

### ■ Trends in per-share net income, dividend and dividend payout ratio (consolidated)

|                              | (Yen)             |                       |                       |                   |                |
|------------------------------|-------------------|-----------------------|-----------------------|-------------------|----------------|
|                              | FY2011<br>Results | FY2012<br>Results     | FY2013<br>Results     | FY2014<br>Results | FY2015<br>Plan |
| <b>Per-share net income</b>  | 53.70             | 127.67 * <sup>1</sup> | 118.73 * <sup>2</sup> | 156.55            | 154.15         |
| <b>Dividend per share</b>    | 20                | 24                    | 21                    | 28                | 28             |
| <b>Dividend payout ratio</b> | 37.2%             | 18.8%                 | 17.7%                 | 17.7%             | 18.2%          |

\*1 A gain on the sale of shares in FUJI SOFT KCS Co., Ltd., a consolidated subsidiary, was posted (284 million yen).

\*2 Results for nine months



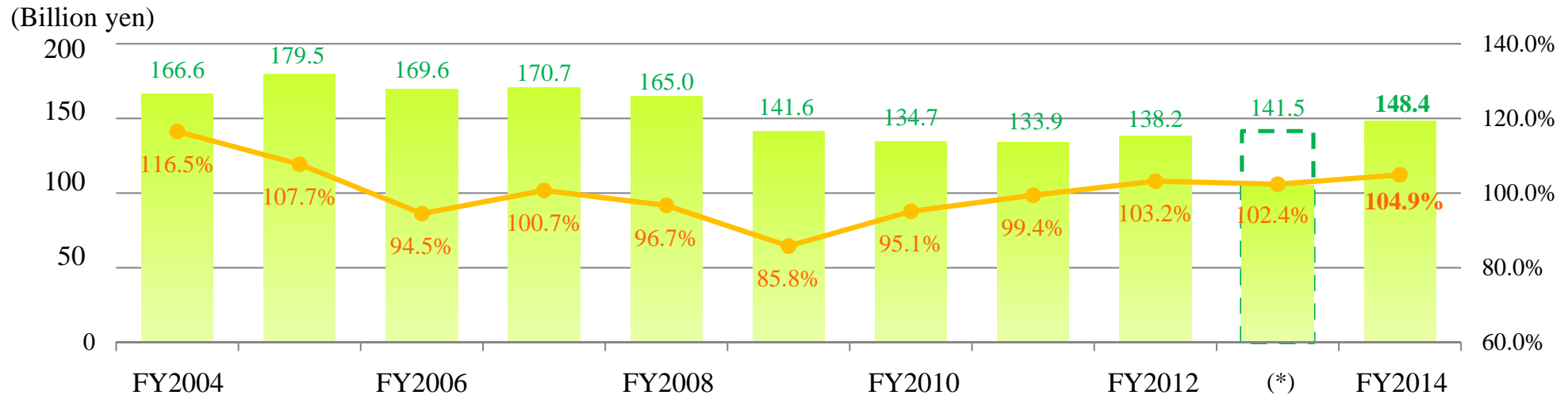
# Business Trends in FY2014 and the Medium-Term Policy

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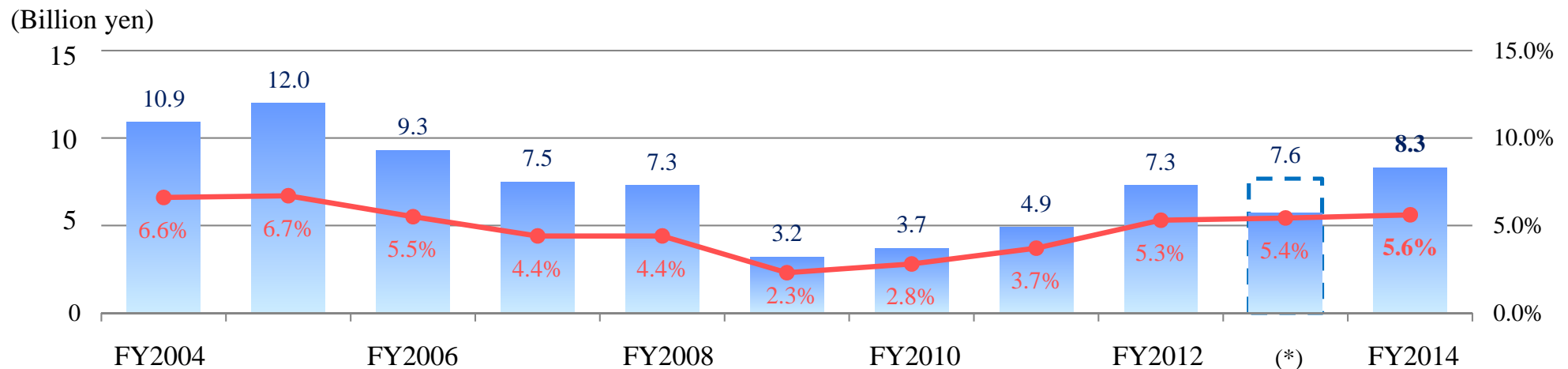


# Changes in Results

## Sales, Growth Rate



## Operating Income, Operating Income Margin



Results in January through December, 2013 are indicated by a dotted line because FY2013 had only nine months.



# Performance in FY2014 and Expectations for FY2015 in System Construction

## Main business fields

### Embedded/Control Software

Machine control  
(Automobiles, FA, medicine)

Social infrastructure  
(Networks, public infrastructure including transportation)

### Operation Software

Global companies

Distribution industry, EC, Internet business

Society, public sector

## Technological fields

Global platform  
(Android, AUTOSAR)

Technology associated with communications, control,  
and IoT\*

## Alliance strategy

Cloud, big data, IoT

Licenses + related SI

## Hiring human resources

Hiring actively; securing and cultivating human  
resources in closer cooperation with partners

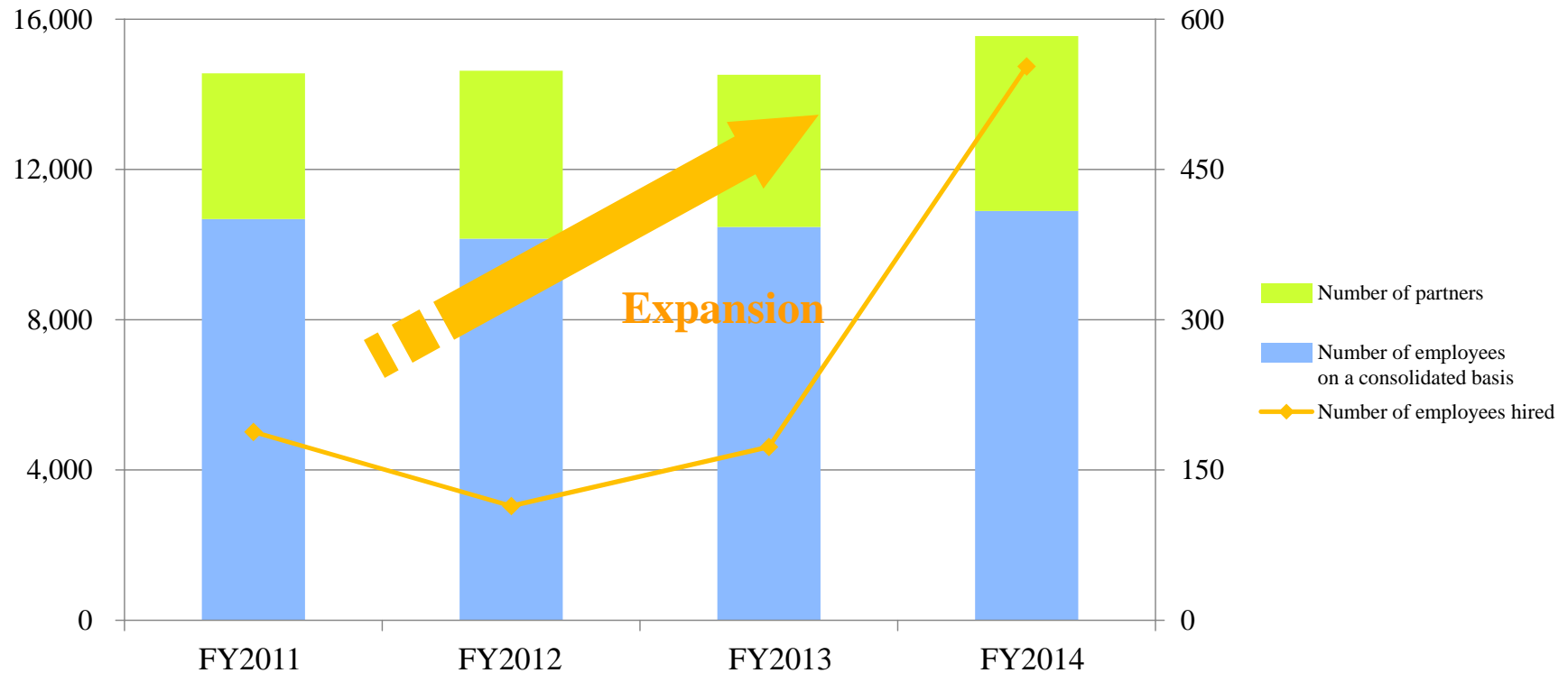
\* IoT: Internet of Things

The IoT is a technological concept. In the IoT, products and infrastructures are connected with each other over the Internet.



# Hiring Human Resources

Trends in the numbers of employees and partners\*, expansion of hiring

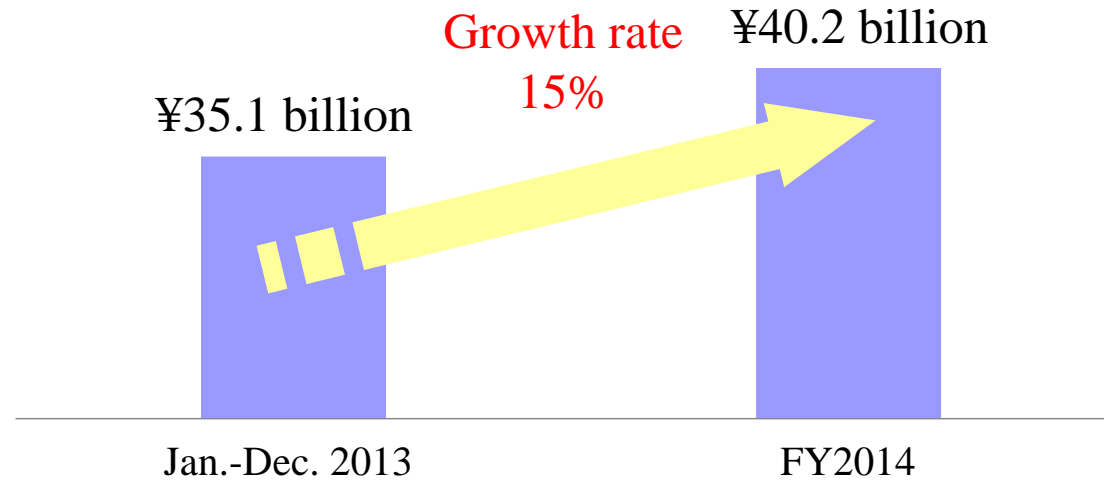


To expand human resources, the Group plans to hire around 500 new graduates in April 2015.

\* The number of partners and the number of employees hired are the aggregate of the number for the Company and the number for listed subsidiaries.

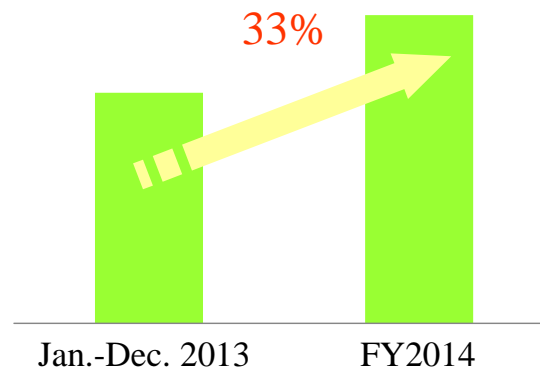
# Trends in Products and Services

## Sales in Products and Services

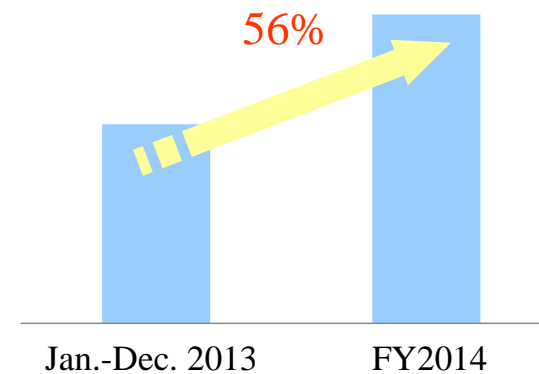


## Breakdown of sales in Products and Services

### Sales of FUJISOFT products



### Sales in the licensing business



# Prioritized Products (1) PALRO

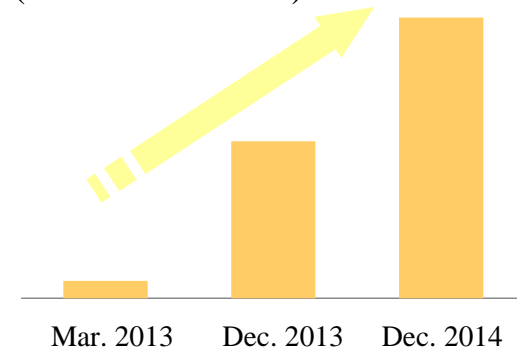
palro



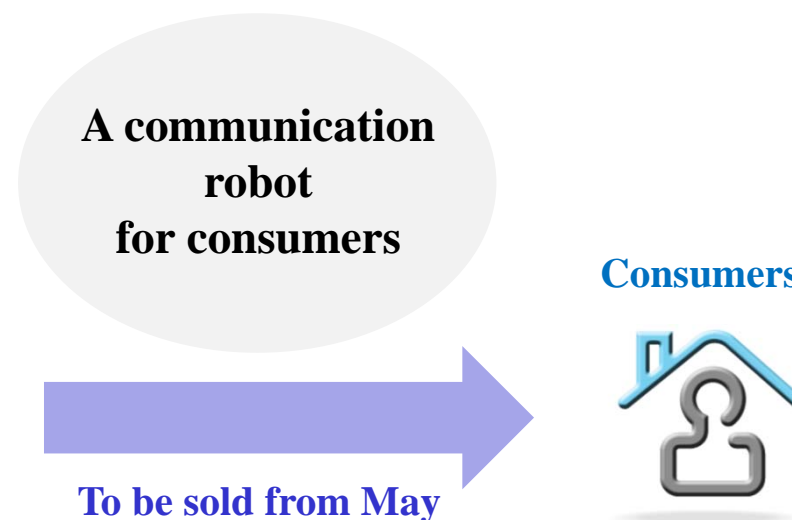
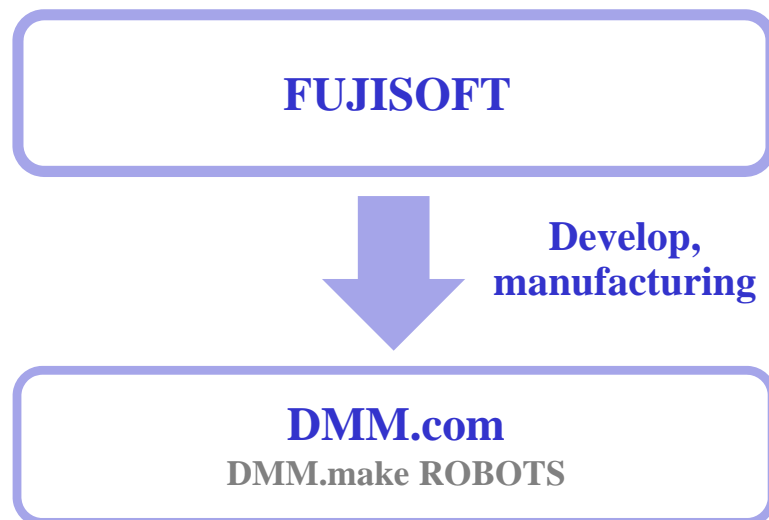
PALRO is a communication robot that started to be sold to elderly care facilities in June 2012. PALRO has the function to communicate of its own initiative, it can move, and it has a learning function.

- May Selected as a FY2014 Project to Promote the Development and Introduction of Robotic Devices for Nursing Care (a development project to be subsidized) of the Ministry of Economy, Trade and Industry
- October An agreement on cooperation in care prevention was signed with the city of Fujisawa.

Introduced at **over 180 facilities** (cumulative total)



A robot for consumers is planned to be supplied to DMM.com.



# Prioritized Products (2) Mirai School Station, moreNOTE

みらいスクールステーション®

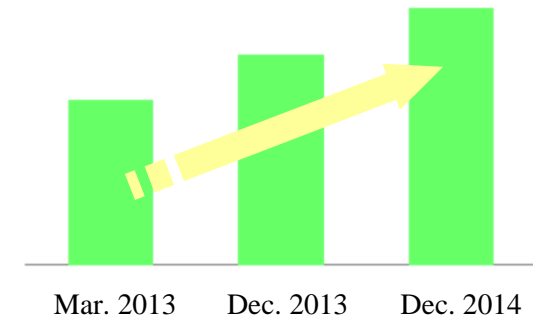


Launched in FY2009. A comprehensive educational solution that promotes the introduction of ICT, including in-school information delivery systems, an electronic blackboard function, and the distribution of emergency information to schools

August: Launched **Mirai School Home Study** for flipped teaching.

September-October: Participated in seminars in four cities in Japan about utilizing tablets in teaching and flip teaching.

Introduced at **over 130 schools** (cumulative total)



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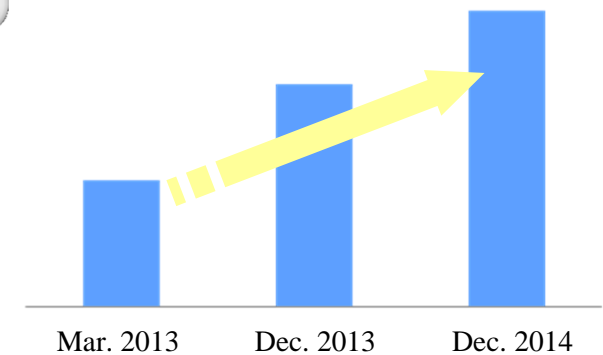
Started to be sold in earnest in December 2012. A service where a server consolidates the management of documents, videos, and images, which can be viewed through smart devices

October through December: Local governments started to use moreNOTE for paperless meeting systems in their telework promotion projects.

→Saga prefectural government, Oita city government, Moriya city council, Kisarazu city government, etc.

New functions are planned to be added, including editing and storing Microsoft Office documents.

Introduced at **over 600 companies** (cumulative total)



Being introduced in central government offices and local governments

# Proposing Solutions for Changing Work Styles

Proposing practical solutions, combining expertise and products in a company

## Initiatives (systems) of FUJISOFT

- 1989 Starts a telework system.
- 2009 Enforces regulations for diverse work styles
- 2013 Starts a new telework and satellite work system  
(The scope is expanded to include all employees.)

## Core products and services

moreNOTE®



smart BYOD

Refills®  
for iOS

+

Products of partners

Changing workplaces in Japan

## Work Life Laboratory

- Increasing need for changing work styles
- Cloud and smart devices becoming popular
- Increasing workload in information system divisions



Changing work styles of customers

Diverse ways of working

Sales reform

Communication reform

Participated in Japan IT Week Autumn 2014



## Basic Policy

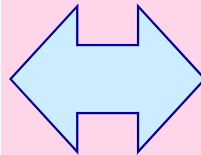
**An innovative corporate group that links  
ICT development to greater value for customers**

Helping customers increase added value, create new businesses, and enhance competitive advantage

**Medium-term target: Creating a high value-added structure**

### Increasing added value

Enhancing on-site strength  
(Enhancing systems)  
Creating markets  
(including overseas markets)  
Cutting selling, general and  
administrative expenses



### Creating products and services

Cloud (C) (including Internet-related businesses)  
Robot technologies (R)  
Mobile (M) (including a variety of devices)

## Basic strategies

**Strengthening the foundations  
of contract business**

**Becoming  
a prime vendor**

**Creating products**

**Globalization**

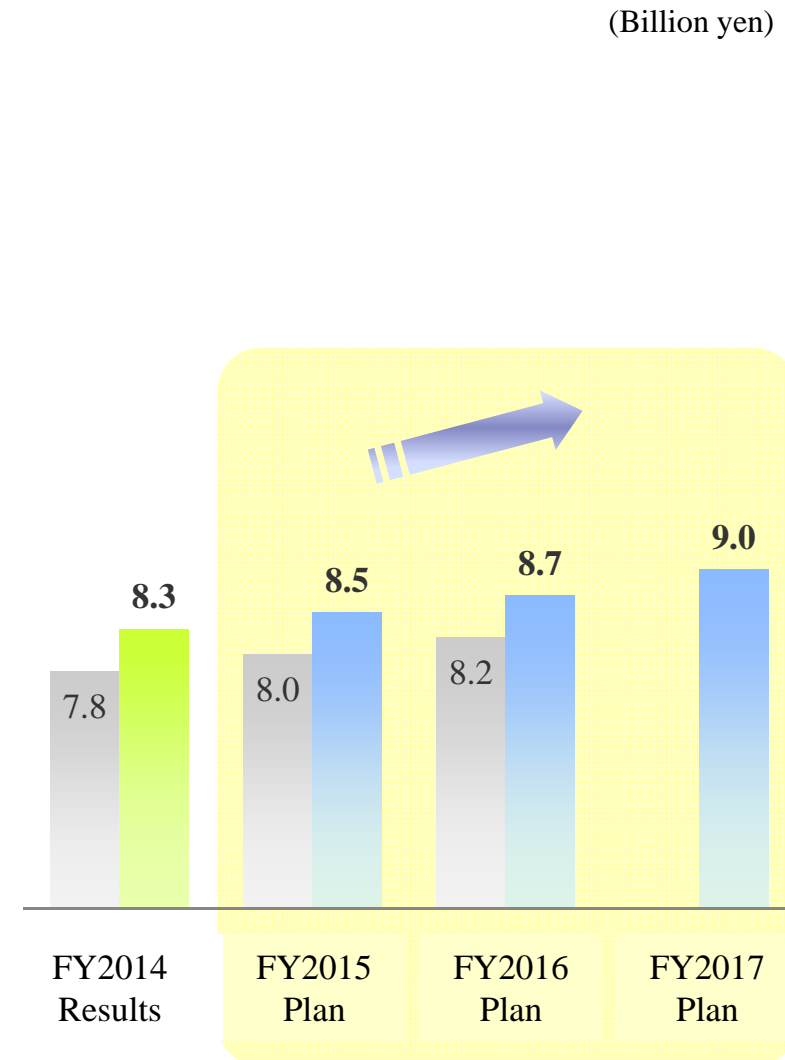
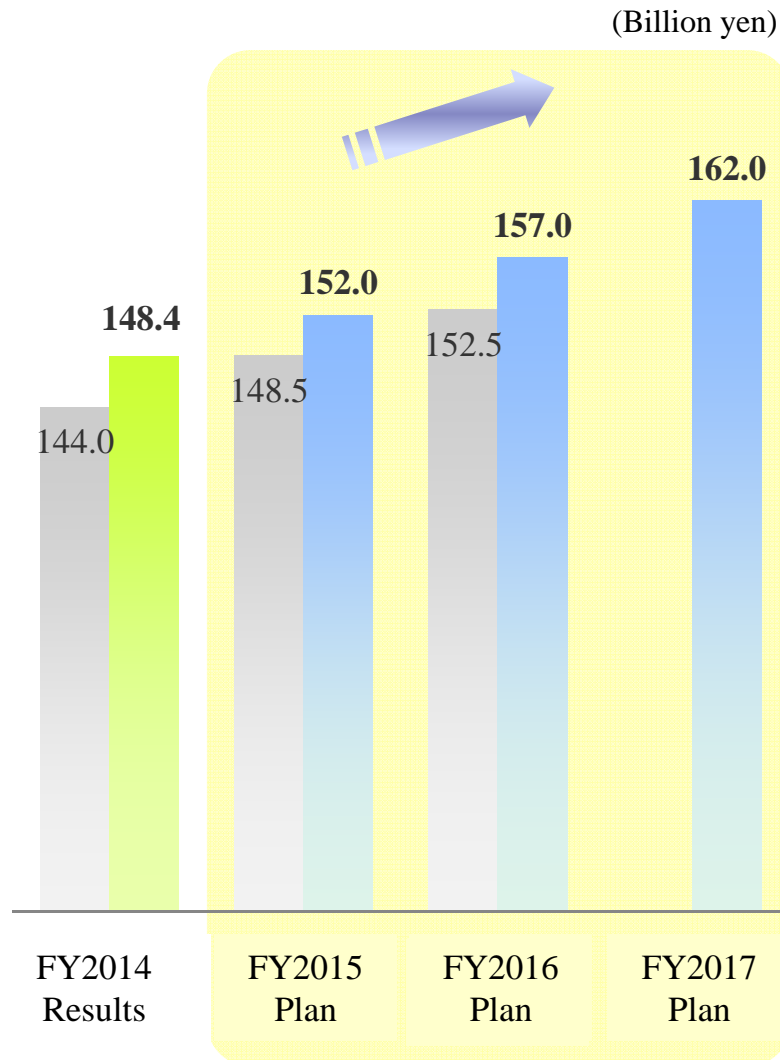
**Bolstering Group  
capabilities**



# Forecast for the Next Three Years

## Consolidated Sales

## Consolidated Operating Income



Disclosed in February 2014



## Advanced BYOD company



\* This material contains financial forecasts and other information about the future that are deemed reasonable on the basis of currently available information. Please note that actual financial results may differ materially depending on a number of factors, including market trends and economic conditions. Please also note that distribution of this material is not intended for recommending continued ownership or additional purchase of the Company's shares.