



Results of Operations for FY2016

February 14, 2017
FUJI SOFT INCORPORATED



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Consolidated Results for FY2016



Consolidated Financial Highlights

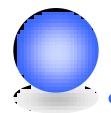
Net sales rose due to a strong performance in System Construction.

- ◇ Consolidated net sales rose 6.9% year on year, to 164,218 million yen, thanks to a strong performance in System Construction, especially machine control system construction.

Operating income rose due to the rise in sales

- ◇ Operating income rose 4.5% year on year, to 8,798 million yen, reflecting the rise in sales.
- ◇ Ordinary income increased 0.8% year on year, to 9,166 million yen, due to a rise in non-operating income and a decline in the share of profit of entities accounted for using the equity method, reflecting fluctuations in exchange rates.
- ◇ Profit attributable to owners of parent increased 2.4% year on year, to 5,042 million yen, due to the decrease in extraordinary losses.

| | FY2015 Results | FY2016 Results | YoY change (Amount) | YoY change (%) | FY2016 Plan | (Million yen) Comparison with plan |
|--|-------------------|-------------------|------------------------|----------------------|----------------|--|
| Net sales | 153,661 | 164,218 | +10,556 | 106.9% | 157,000 | 104.6% |
| Operating income | 8,418 | 8,798 | +380 | 104.5% | 8,500 | 103.5% |
| Operating income margin | 5.5% | 5.4% | | | 5.4% | |
| Ordinary income | 9,093 | 9,166 | +73 | 100.8% | 8,700 | 105.4% |
| Ordinary income margin | 5.9% | 5.6% | | | 5.5% | |
| Profit attributable to owners of parent | 4,922 | 5,042 | +120 | 102.4% | 5,000 | 100.9% |
| Profit margin attributable to owners of parent | 3.2% | 3.1% | | | 3.2% | |



Consolidated Results for Q4 (October – December)

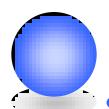
Gross profit increased 5.9% year on year due to a double-digit rise in net sales.

- ◇ Net sales showed a double-digit increase of 11.7% year on year, to 41,762 million yen, mainly reflecting a rise in sales of machine control software and products and services.
- ◇ Gross profit rose 5.9% year on year, to 9,723 million yen, chiefly due to an increase in development projects with a high profit margin such as machine control software and software for in-vehicle control systems.

Operating income rose 5.8% year on year, despite an increase in SG&A expenses due to upfront investment.

- ◇ SG&A expenses increased 413 million yen year on year, to 7,331 million yen, due to a rise in upfront investment for the development of the personnel system and aggressive sales activities.
- ◇ Operating income rose 5.8% year on year, to 2,391 million yen, due to the double-digit increase in net sales, despite the rise in SG&A expenses mentioned above.

| | FY2016 3Q results | YoY change (Amount) | YoY change (%) | FY2016 4Q results | YoY change (Amount) | YoY change (%) |
|--------------------------|----------------------|------------------------|-------------------|----------------------|------------------------|-------------------|
| Net sales | 122,456 | +6,194 | 105.3% | 41,762 | +4,362 | 111.7% |
| Cost of sales | 93,985 | +4,655 | 105.2% | 32,039 | +3,817 | 113.5% |
| Cost of sales margin | 76.8% | | | 76.7% | | |
| Gross profit | 28,470 | +1,539 | 105.7% | 9,723 | +545 | 105.9% |
| SG&A expenses | 22,062 | +1,290 | 106.2% | 7,331 | +413 | 106.0% |
| Operating income | 6,407 | +249 | 104.0% | 2,391 | +131 | 105.8% |
| Operating income margin | 5.2% | | | 5.7% | | |



(Reference) Consolidated Results for Q3

(extracts from results briefing materials dated November 10)

Net sales rose 6.5% year on year.

- ◇ Consolidated net sales rose 6.5% year on year, to 40,606 million yen, thanks in part to the continued strong performance of machine control system construction.

The cost of sales margin increased 1.0% year on year.

- ◇ The cost to sales ratio increased 1.0% year on year, to 76.8%, due to the impact of certain unprofitable projects.

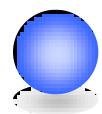
SG&A expenses rose 529 million yen from a year ago.

- ◇ SG&A expenses rose 529 million yen from a year ago, to 7,043 million yen, due in part to an increase in personnel expenses associated with the implementation of a human resources improvement plan and improvement of working conditions, an increase in expenses associated with enhancement of sales activities, and an increase of enterprise tax that resulted from the tax system revision.

Operating income declined 12.1% year on year.

- ◇ As a result of the above, operating income declined 12.1% year on year, to 2,360 million yen.

| | FY2016 2Q results | YoY change (Amount) | YoY change (%) | FY2016 Q3 results | YoY change (Amount) | YoY change (%) | (Million yen) |
|--------------------------|----------------------|------------------------|-------------------|----------------------|------------------------|-------------------|---------------|
| Net sales | 81,849 | +3,709 | 104.7% | 40,606 | +2,484 | 106.5% | |
| Cost of sales | 62,783 | +2,375 | 103.9% | 31,202 | +2,279 | 107.9% | |
| Cost of sales margin | 76.7% | | | 76.8% | | | |
| Gross profit | 19,066 | +1,333 | 107.5% | 9,404 | +205 | 102.2% | |
| SG&A expenses | 15,019 | +760 | 105.3% | 7,043 | +529 | 108.1% | |
| Operating income | 4,046 | +573 | 116.5% | 2,360 | -324 | 87.9% | |
| Operating income margin | 4.9% | | | 5.8% | | | |

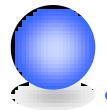


Sales/Operating Income by Major Companies of the Group

(Million yen)

| | FY2016 | Net sales | Operating income | |
|--|---------------------|-----------|------------------|---|
| FUJI SOFT INCORPORATED | 4Q results | 100,878 | 5,568 | Sales rose, reflecting a strong performance particularly in the development of machine control software and software for the financial sector. Operating income increased due to higher sales, despite the effects of unprofitable projects that were generated during the period and an increase in personnel expenses associated with the implementation of a human resources improvement plan and the improvement of working conditions. |
| | YoY change (amount) | +8,227 | +210 | |
| | YoY change (%) | 108.9% | 103.9% | |
| CYBERNET SYSTEMS Co., Ltd. | 4Q results | 16,031 | 1,027 | Sales increased due to the strong performance of the IT solution field, model-based development engineering service, and overseas subsidiaries, as well as the steady performance of multi-physics analysis tools, which are the mainstay products, despite the effect of currency translation due to the appreciation of the yen. Operating income rose as the increase in sales offset an increase in personnel expenses attributable to the planned increase in the workforce. |
| | YoY change (amount) | +513 | +175 | |
| | YoY change (%) | 103.3% | 120.6% | |
| CYBER COM Co., Ltd. | 4Q results | 9,520 | 527 | Sales rose thanks to strong performances in the development of control software and operation software. Operating income increased due to higher sales, despite an increase in upfront investment mainly for the enhancement of the hiring and education of engineers and a rise in retirement benefit expenses. |
| | YoY change (amount) | +878 | +12 | |
| | YoY change (%) | 110.2% | 102.3% | |
| VINX CORP. | 4Q results | 27,116 | 1,319 | Sales declined in the first half following a decrease in development projects of major customers, but increased in the second half due to the cultivation of existing customers. Operating income decreased from a year ago as a result of strengthening research and development and investments in next-generation products, although the income was on a recovery trend given the reduction of administrative expenses in the full year and the upturn of gross profit in the second half. |
| | YoY change (amount) | -524 | -266 | |
| | YoY change (%) | 98.1% | 83.2% | |
| FUJI SOFT SERVICE BUREAU INCORPORATED | 4Q results | 8,064 | 182 | Sales increased because sales remained firm in projects for public offices and local governments in the call center services and BPO services fields. Operating income declined from the previous year due to advance expenses related to orders for large new projects. |
| | YoY change (amount) | +243 | -22 | |
| | YoY change (%) | 103.1% | 89.0% | |

* The fiscal year end is March at CYBER COM, VINX, and FUJI SOFT SERVICE BUREAU. Their results from January to December, 2016 are stated in the FY2016 4Q results column.



Consolidated Sales/Operating Income by Segment

(Million yen)

| | FY2016 Net sales | | YoY change (Amount) | YoY change (%) | FY2016 Operating income | | YoY change (Amount) | YoY change (%) |
|------------------------------|------------------|--------------------|---------------------------|----------------------|-------------------------|----------------------------|---------------------------|----------------------|
| | Results | Component ratio | | | Results | Operating income margin | | |
| Consolidated total | 164,218 | 100.0% | +10,556 | 106.9% | 8,798 | 5.4% | +380 | 104.5% |
| SI Business | 152,824 | 93.1% | +10,042 | 107.0% | 7,517 | 4.9% | +228 | 103.1% |
| System Construction | 90,566 | 55.2% | +5,791 | 106.8% | 5,140 | 5.7% | +23 | 100.5% |
| Embedded/Control Software | 47,329 | 28.8% | +5,523 | 113.2% | 3,369 | 7.1% | +741 | 128.2% |
| Operation Software | 43,237 | 26.3% | +268 | 100.6% | 1,771 | 4.1% | -717 | 71.2% |
| Products and Services | 62,258 | 37.9% | +4,251 | 107.3% | 2,376 | 3.8% | +204 | 109.4% |
| Products and Services | 45,692 | 27.8% | +4,876 | 111.9% | 1,379 | 3.0% | +284 | 126.0% |
| Outsourcing | 16,565 | 10.1% | -625 | 96.4% | 997 | 6.0% | -79 | 92.6% |
| Facility Business | 2,708 | 1.6% | +230 | 109.3% | 1,026 | 37.9% | +120 | 113.3% |
| Other Businesses | 8,684 | 5.3% | +283 | 103.4% | 254 | 2.9% | +31 | 114.3% |

Highlights of Sales by Segment

• Embedded/Control Software

Sales increased 13.2% year on year, with brisk sales of machine control systems in areas such as automobile-related projects and factory automation, as well as systems at electric power companies and in the aerospace sector, offsetting declines in the mobile and telecommunication control businesses. Operating income rose due to an increase in development projects with a high profit margin.

• Operation Software

Sales increased 0.6% year on year due to strong sales to the financial sector and public offices, despite a decline in sales to the distribution sector and other sectors.

Operating income declined, mainly due to the effect of unprofitable projects generated during the period.

• Products and Services

Sales increased 11.9% year on year, mainly reflecting strong sales of in-house products, including data communication terminals, and of cloud and virtualization services. Operating income rose thanks to sales of CAE products with a high profit margin.

• Outsourcing

Sales fell 3.6% year on year, mainly due to a decline in transactions in the distribution sector. Operating income declined due to lower sales.



Consolidated Income Statement

| | FY2015 Results | FY2016 Results | YoY change (Amount) | YoY change (%) | FY2015 Plan | (Million yen) Comparison with the plan |
|---|-------------------|-------------------|---------------------------|----------------------|----------------|--|
| Net sales | 153,661 | 164,218 | +10,556 | 106.9% | 157,000 | 104.6% |
| Cost of sales | 117,552 | 126,024 | +8,472 | 107.2% | — | — |
| Cost of sales margin | 76.5% | 76.7% | | | | |
| Gross profit | 36,109 | 38,193 | +2,084 | 105.8% | — | — |
| Gross profit margin | 23.5% | 23.3% | | | | |
| SG&A expenses | 27,691 | 29,394 | +1,703 | 106.2% | — | — |
| SG&A expense ratio | 18.0% | 17.9% | | | | |
| Operating income | 8,418 | 8,798 | +380 | 104.5% | 8,500 | 103.5% |
| Operating income margin | 5.5% | 5.4% | | | 5.4% | |
| Non-operating income | 490 | 558 | +68 | 114.0% | — | — |
| Non-operating expenses | 230 | 180 | -49 | (1) 78.4% | — | — |
| Share of (profit) loss of entities accounted for using equity method | 415 | -10 | -425 | (2) — | — | — |
| Ordinary income | 9,093 | 9,166 | +73 | 100.8% | 8,700 | 105.4% |
| Ordinary income margin | 5.9% | 5.6% | | | 5.5% | |
| Extraordinary income | 82 | 168 | +86 | 205.3% | — | — |
| Extraordinary losses | 420 | 327 | -92 | 78.0% | — | — |
| Income before income taxes | 8,755 | 9,007 | +252 | 102.9% | — | — |
| Total income taxes | 3,069 | 3,190 | +121 | 103.9% | — | — |
| Net income | 5,685 | 5,817 | +131 | 102.3% | — | — |
| Profit attributable to non-controlling interests | 763 | 774 | +11 | 101.5% | — | — |
| Profit attributable to owners of parent | 4,922 | 5,042 | +120 | 102.4% | 5,000 | 100.9% |
| Profit margin attributable to owners of parent | 3.2% | 3.1% | | | 3.2% | |

Points of Income Statement

[\(1\) Non-operating income \(+68 million yen\)](#)
[Non-operating expenses \(-49 million yen\)](#)

Changes in foreign exchange gains and losses attributable to fluctuations in exchange rates

[\(2\) Share of \(profit\) loss of entities accounted for using equity method \(-425 million yen\)](#)

Decline in the share of profit (loss) of entities accounted for using the equity method, which is related to Ace Securities.



Consolidated Balance Sheet

| | End of FY2015 | End of FY2016 | (Million yen) | Change (Amount) |
|--|------------------|------------------|---------------|--------------------|
| Current assets | 55,032 | 67,350 | | 12,317 |
| Cash and deposits | 12,784 | 19,134 | 6,350 | (1) |
| Notes and accounts receivable - trade | 31,485 | 36,727 | 5,242 | (1) |
| Short-term investment securities | 3,800 | 4,500 | 699 | |
| Inventories | 2,326 | 2,577 | 251 | |
| Deferred tax assets | 1,953 | 2,254 | 301 | |
| Other | 2,683 | 2,156 | -526 | |
| Non-current assets | 98,800 | 96,513 | | -2,286 |
| Property, plant and equipment | 67,013 | 65,796 | -1,216 | |
| Intangible assets | 6,273 | 5,949 | -323 | |
| Investments and other assets | 25,513 | 24,766 | -747 | |
| Total assets | 153,833 | 163,863 | 10,030 | |
| Current liabilities | 27,556 | 37,461 | 9,905 | |
| Notes and accounts payable - trade | 7,625 | 9,444 | 1,819 | (1) |
| Short-term loans payable | 3,967 | 9,410 | 5,442 | (2) |
| Commercial papers | - | - | - | |
| Accrued expenses / provision for bonuses | 5,820 | 6,826 | 1,005 | (3) |
| Income taxes payable | 1,210 | 2,153 | 943 | |
| Provision for loss on construction contracts | 107 | 267 | 160 | |
| Other | 8,825 | 9,358 | 533 | |
| Non-current liabilities | 22,197 | 17,400 | -4,797 | |
| Long-term loans payable | 11,242 | 6,723 | -4,518 | (2) |
| Other | 10,955 | 10,676 | -278 | |
| Total liabilities | 49,754 | 54,861 | 5,107 | |
| Total net assets | 104,078 | 109,001 | 4,923 | |
| Total liabilities and net assets | 153,833 | 163,863 | 10,030 | |

Points of the Balance Sheet

(1) [Cash and deposits \(+6,350 million yen\)](#)
[Notes and accounts receivable - trade \(+5,242 million yen\)](#)
[Notes and accounts payable - trade \(+1,819 million yen\)](#)

Increase in sales and purchases

(2) [Short-term loans payable \(+5,442 million yen\)](#)
[Long-term loans payable \(-4,518 million yen\)](#)

Raising and repayment of funds related to capital investment

(3) [Accrued expenses / provision for bonuses \(+1,005 million yen\)](#)

Increase attributable to the increase in personnel and the improvement of working conditions



Consolidated Cash Flow Statement

(Million yen)

| | FY2015 Results | FY2016 Results | Component ratio |
|--|-------------------|-------------------|-----------------|
| Cash flows from operating activities | 7,595 | 9,530 | +1,934 |
| Cash flows from investing activities | -549 | -4,337 | -3,787 |
| Cash flows from financing activities | -7,414 | 1,076 | +8,491 |
| Effect of exchange rate change on cash and cash equivalents | -16 | -167 | |
| Net increase (decrease) in cash and cash equivalents | -385 | 6,102 | |
| Cash and cash equivalents at beginning of period | 16,135 | 15,688 | |
| Increase in cash and cash equivalents arising from changes in the scope of consolidation | -61 | - | |
| Cash and cash equivalents at end of period | 15,688 | 21,790 | |

Highlights of Cash Flows

● Cash flows from operating activities

Net cash provided by operating activities stood at 9,530 million yen. In FY2015, it was 7,595 million yen, chiefly reflecting an increase in payments of income taxes associated with the change in fiscal year end.

● Cash flows from investing activities

Net cash used in investing activities came to 4,337 million yen, due in part to expenditure on the acquisition of fixed assets including the Company's own products (software) and payments into time deposits.

● Cash flows from financing activities

Net cash provided by financing activities was 1,076 million yen, mainly due to loans related to expenditure on the acquisition of fixed assets and proceeds from sales of shares of subsidiaries related to IPO. In FY2015, net cash of 7,414 million yen was used, mainly due to the scheduled repayment of borrowings.



Orders and Order Backlogs for the Consolidated SI Business

(Million yen)

| | Order backlog at beginning of term | YoY change (%) | FY2016 Results | | | | | |
|------------------------------|------------------------------------|----------------|----------------|----------------|-----------|----------------|------------------------------|----------------|
| | | | Orders | YoY change (%) | Net sales | YoY change (%) | Order backlog at end of term | YoY change (%) |
| SI Business Total | 30,688 | 106.8% | 157,113 | 108.6% | 152,824 | 107.0% | 34,976 | 114.0% |
| System Construction | 20,683 | 105.8% | 93,687 | 109.0% | 90,566 | 106.8% | 23,803 | 115.1% |
| Embedded/Control Software | 8,987 | 108.3% | 48,322 | 113.7% | 47,329 | 113.2% | 9,981 | 111.1% |
| Operation Software | 11,695 | 104.0% | 45,364 | 104.5% | 43,237 | 100.6% | 13,822 | 118.2% |
| Products and Services | 10,005 | 108.9% | 63,425 | 107.8% | 62,258 | 107.3% | 11,172 | 111.7% |
| Products and Services | 7,843 | 120.7% | 46,017 | 109.1% | 45,692 | 111.9% | 8,168 | 104.1% |
| Outsourcing | 2,161 | 80.2% | 17,408 | 104.5% | 16,565 | 96.4% | 3,004 | 139.0% |

Highlights of Orders and Order Backlogs

● Highlights in System Construction

- Embedded/Control Software

The order backlog at the end of the term increased 11.1 % year on year due to strong orders in the machine control business in areas such as automobiles and factory automation.

- Operation Software

The order backlog at the end of the term increased 18.2 % year on year, reflecting strong orders from public offices and in the financial sector.

● Highlights in Products and Services

- Products and Services

The order backlog at the end of the term rose 4.1% year on year due to the high order backlog at the beginning of the term, resulting from strong orders in the license business and an increase in orders for data communication terminals.

- Outsourcing

The order backlog at the end of the term increased 39.0% as orders for large projects for public offices offset the year-on-year decline in the order backlog at the beginning of the term that was attributable to a decline in transactions in the distribution industry.



Business Policies and Results Forecasts for FY2017



AIS-CRM (Challenge to New Technologies: To Increase Added Value)

Advanced technology field/know-how
to develop embedded/control software

Product field/proposal power
of software/hardware products

System construction field/know-how
cultivated in the development of operation software

Manufacturing: Automobiles/robots/electronics/medical equipment/complex machines, etc.

Social infrastructure: Transportation/electric power/telecommunications, etc.

Financial industry: Fintech, distribution/service industry,
Internet business, public services, public administration, medical/nursing care, education

AIS-CRM

[AI, IoT, Security, Cloud, Robot, Mobile, AutoMotive]

Mobile

Mobile SI

iOS

Android

Windows10

AutoMotive

Automobiles

Various types
of devices

ASIC/FPGA

Robot

Robot SI

Industrial robots

PALRO

Fog computing

Front-end AI

IoT

IoT SI

Web

Servers

Internet

Clients

Security

Security SI

Cloud

Cloud SI

AWS

Azure

SFDC

Google

CONCUR

IoT services

Cloud AI

AI-BOT

Original AI



Footsteps for the Last Several Years and Points in FY2017

–FY2014: Recovery from the global financial crisis

- Promoted C (cloud), R (robots) and M (mobile) businesses as areas of focus to work on, in addition to the past efforts for “JPPGG.”

J: Strengthening the foundations of the contract business

P: Becoming a prime vendor

P: Creating products

G: Globalization

G: Bolstering Group capabilities

FY2015–FY2016: Efforts to strengthen human resources

- Promoted the use of human resources as an operational force early by recruiting and cultivating a volume of human resources and improving the curriculum to strengthen human resources.
- Continuously worked to create products, bolster Group capabilities and become globalized.

Established the foundations for growth and expanded added value.

<Business environment>

- Further development of ICT
- Shortage of human resources
- Labor issues
(Reduction of overtime work, way of working reforms)

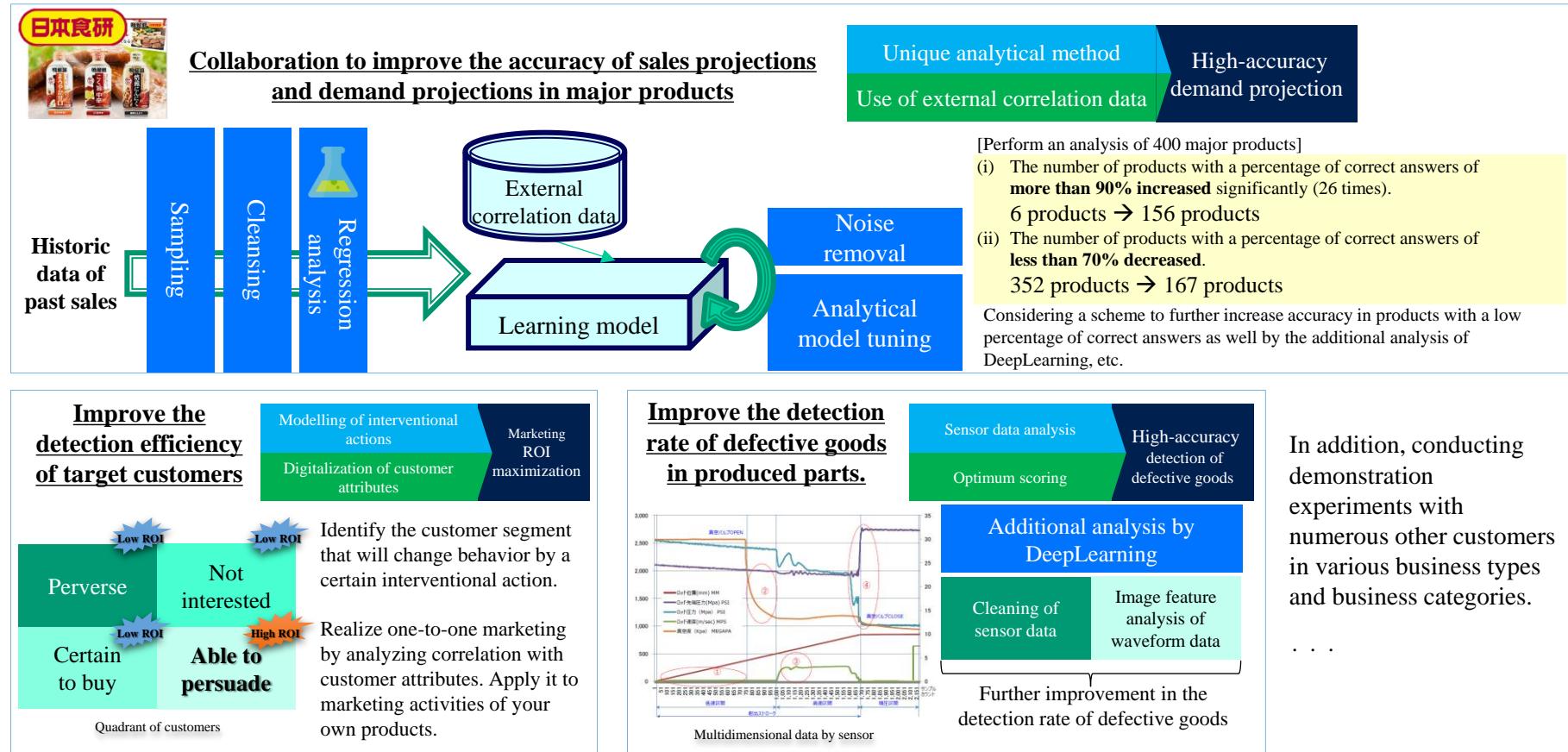
Management points in FY2017

- Bold efforts for new technologies: AIS-CRM
- Promotion of the high value-added system integration business
- Strengthening of human resources and the steady growth of the commissioned development business
- Aggressive promotion of the product business
- Growth as the overall Group and aggressive global development



Examples of New Technology SI (AI/IoT Fields)

■ Introduction of Cortana Intelligence Suite in collaboration with Microsoft





In-Vehicle Software

<Results for the fiscal year under review>

Development of a system to enhance production capacity

Increased engineers in light of the expansion of development needs.

Added development bases in Nagoya and Osaka, and expanded the floor area in Fukuoka.



<Policies for the next fiscal year>

Maintain double-digit growth.

Expand production power and maintain strong growth by continuing to enhance the recruitment of engineers and strengthening collaboration with development bases.



Strengthened cultivation of engineers

Worked to raise the level and improve the productivity and quality of engineers by clarifying the basic skills they require and providing education on special in-vehicle skills.

Enhance the skill system and process.

Further improve productivity and quality by developing the skill system of highly specialized in-vehicle software technologies and establishing the company standards for the development process.



Investment in APTJ and support for human resources

Underwrote private placement of APTJ.

Dispatched officers and engineers.

Develop a standard platform.

Joint development of a standard platform for in-vehicle software based on AUTOSAR, with APTJ playing the central role (scheduled in 2018).



Status of Products and Services Field (Focused Products)

palro.



moreNOTE®



みらいスクールステーション®



<Current status>

Number of units introduced in elderly care facilities and financial institutions

More than 700 units
(cumulative total)

<Future efforts>

Promote dissemination into the nursing care field through adoption in a large-scale substantial research of the Japan Agency for Medical Research and Development and the special project to support the introduction of nursing-care robots, etc. of the Ministry of Health, Labour and Welfare, and accelerate the response to new needs for use in the financial field, etc.

Number of file management and delivery services of mobile content introduced

Approx. 1,500 companies
(cumulative total)

No.1 share in terms of the number of services introduced!

* First inquiry ranking in 2016 in the paperless meetings section of IT Trend, including companies that introduced SYNCNEL

Further increase the share as a major product to achieve changes in the way of working and paperless operation.

Introduced at

more than 700 schools
(cumulative total)

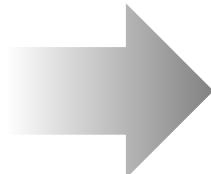
Promote response to the market and proposals on the use of ICT in anticipation of the policy of "Education Informatization for the 2020s."



Hiring Human Resources

Hired 520 new graduates in the fiscal year under review.

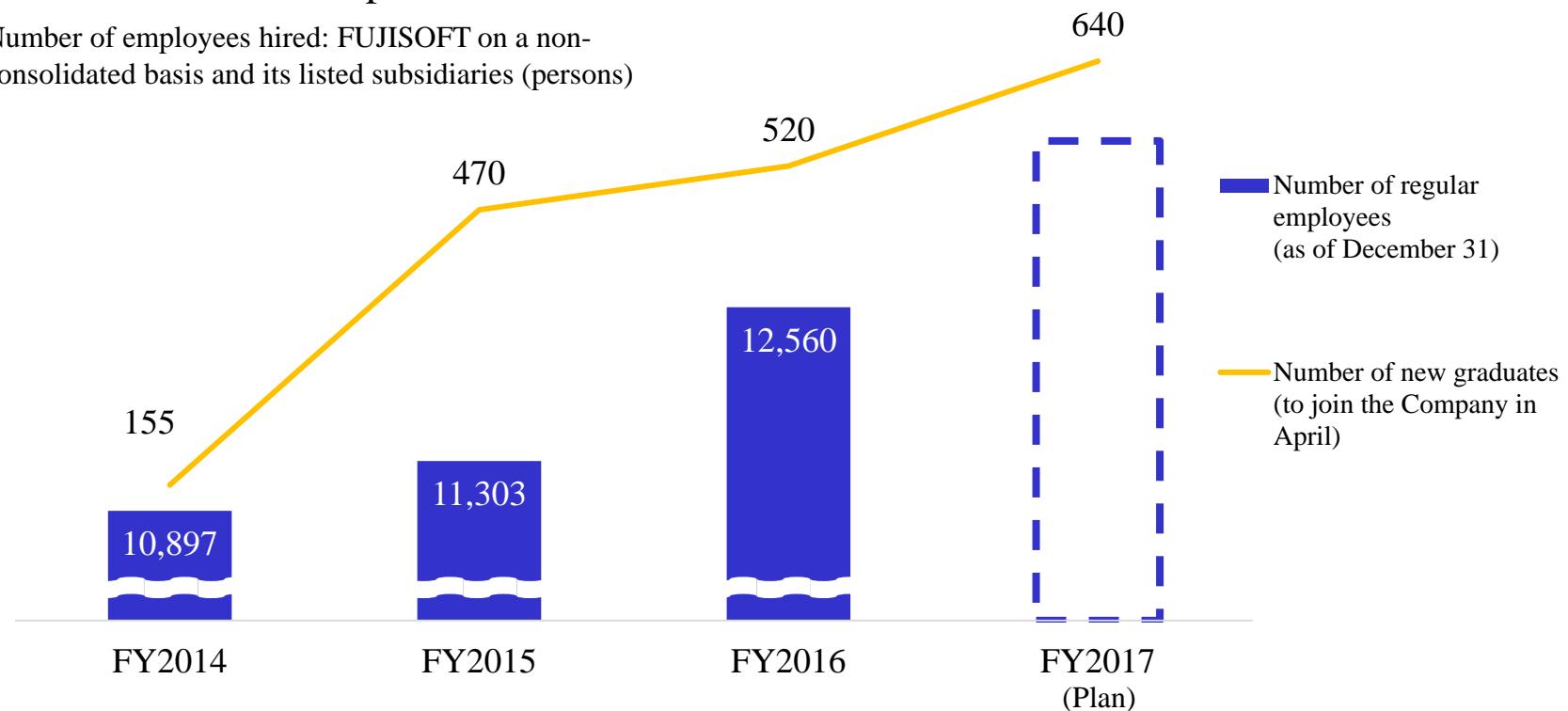
* The number of new graduates hired is for FUJISOFT on a non-consolidated basis and its listed subsidiaries.



Plan to hire 640 new graduates in April 2017. Cultivate human resources able to respond to market needs within a short period of time.

<Recruitment results and plan>

Number of employees hired: FUJISOFT on a non-consolidated basis and its listed subsidiaries (persons)





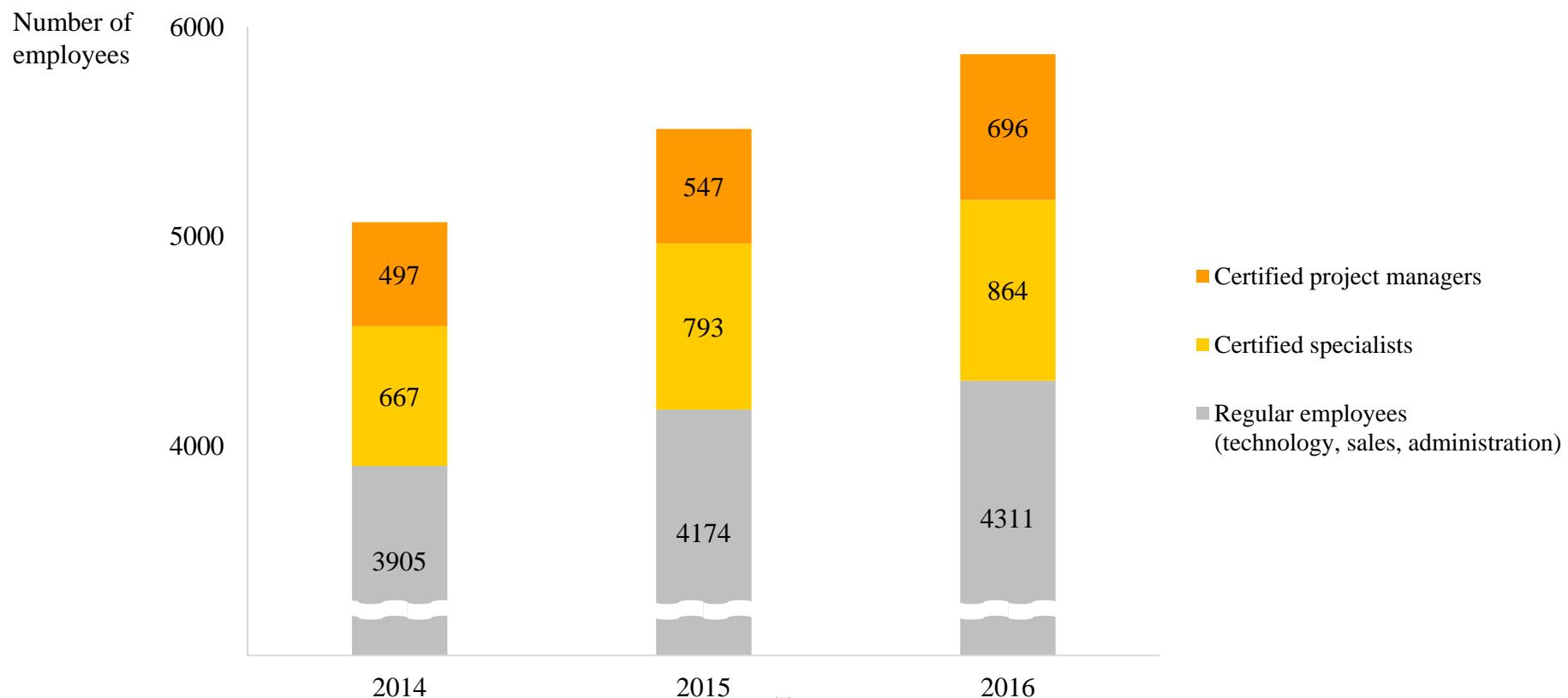
Cultivation of Specialized Human Resources

- Promoting the initiative to develop the industry-ready human resources by OJT.
- Foster engineers with a high level of specialty through the recognition system of their skills and project management ability, etc.

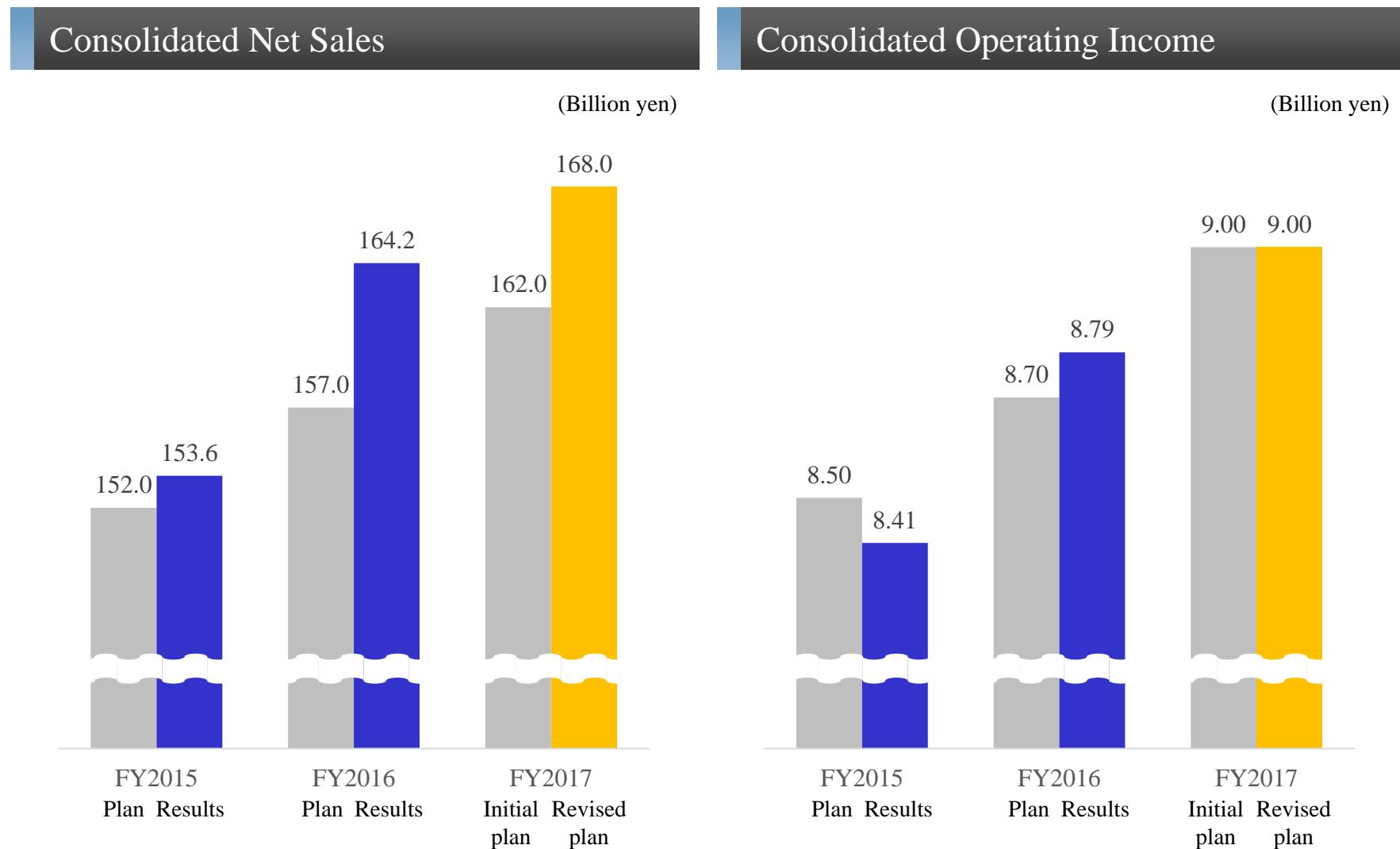


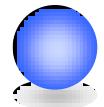
- Accelerate the cultivation of human resources able to respond to technical fields with high market needs by enhancing the education curriculum and the skill recognition system.

<Number of certified engineers (non-consolidated)>



Changes in Results/Forecasts (FY2015–FY2017)





Results Forecasts for FY2017

(Million yen)

| | FY2016 Results | FY2017 Plan | YoY change (Amount) | YoY change (%) |
|-------------------------|-------------------|----------------|---------------------------|-------------------|
| Net sales | 164,218 | 168,000 | +3,781 | 102.3% |
| Operating income | 8,798 | 9,000 | +201 | 102.3% |
| Operating income margin | 5.4% | 5.4% | | |
| Ordinary income | 9,166 | 9,300 | +133 | 101.5% |
| Ordinary income margin | 5.6% | 5.5% | | |
| Net income | 5,042 | 5,100 | +57 | 101.1% |
| Net income margin | 3.1% | 3.0% | | |



Dividend

Annual dividend of FY2017 is planned to be 30 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) | | | | |
|------------------------------|-------------------|-------------------|-------------------|-------------------|----------------|
| | FY2013 Results | FY2014 Results | FY2015 Results | FY2016 Results | FY2017 Plan |
| Per-share net income | 118.73* | 156.55 | 158.06 | 161.63 | 163.25 |
| Dividend per share | 21 | 28 | 28 | 29 | 30 |
| Dividend payout ratio | 17.7% | 17.9% | 17.7% | 17.9% | 18.4% |

* Results for nine months



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.