

Results of Operations for 2nd Quarter of Fiscal Year Ending March 2021

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Financial Result of 2nd Quarter of FY2020

(Billions of Yen)

	Apr. 2019- Sept. 2019	Apr. 2020- Sept. 2020	Increase/Decrease	
			Amount	%
Net Sales	187.2	189.7	2.4	1.3%
Operating Profit	20.4	21.2	0.8	4.0%
Net Profit Attributable to Owners of Parent	14.4	14.8	0.3	2.5%

Impacts of COVID-19 Pandemic

Operating Environment Trends

- Sluggish economic activity due to supply chain disruptions stemming from global COVID-19 pandemic
- Low appetites for investment among companies
- Accelerated trend toward contact-free, non-face-to-face operations exemplified by remote work among customers

1st Quarter

- Transition to execution phase of investment plans previously affected by execution and decision delays after the cancellation of Japan's state of emergency declaration.
- Rises in demand related to entrenchment of remote work and other working styles not bound by location as new norm, particularly strong focus on enhancement of customer contact points.
- Provision of IT services through safe and secure dispersed operation (core business innovation) and enhancement and convenience improvement in digital technologies (commercialization of DX)
- Ongoing opaqueness of investment trends amid environment requiring diligence due to factors such as concern for second wave of COVID-19 infections

Current

- While the willingness to invest is rising as we seek out new normal, it takes customers time to make decisions.
- Demand related to remote work, digitization, and strengthening of customer contact areas continues.
- In the medium to long-term, provision of IT services through safe and secure dispersed operation (core business innovation) and enhancement and convenience improvement in digital technologies (commercialization of DX)
- The unpredictable environment remains unchanged from the situation where the end of the COVID-19 infections is still not visible, and opaqueness of investment trends continues.

Our Response

- Promote measures to avoid the "Three Cs" (remote work, staggered work hour, etc.) and maintain an office occupancy rate of 50% or less
- Abolition of commutation allowance and expansion of remote work promotion allowances
- Strengthen non-face-to-face sales (contact with lead customers through webinars and web-based sales), establish virtual booths, etc.

No change from initial forecasts

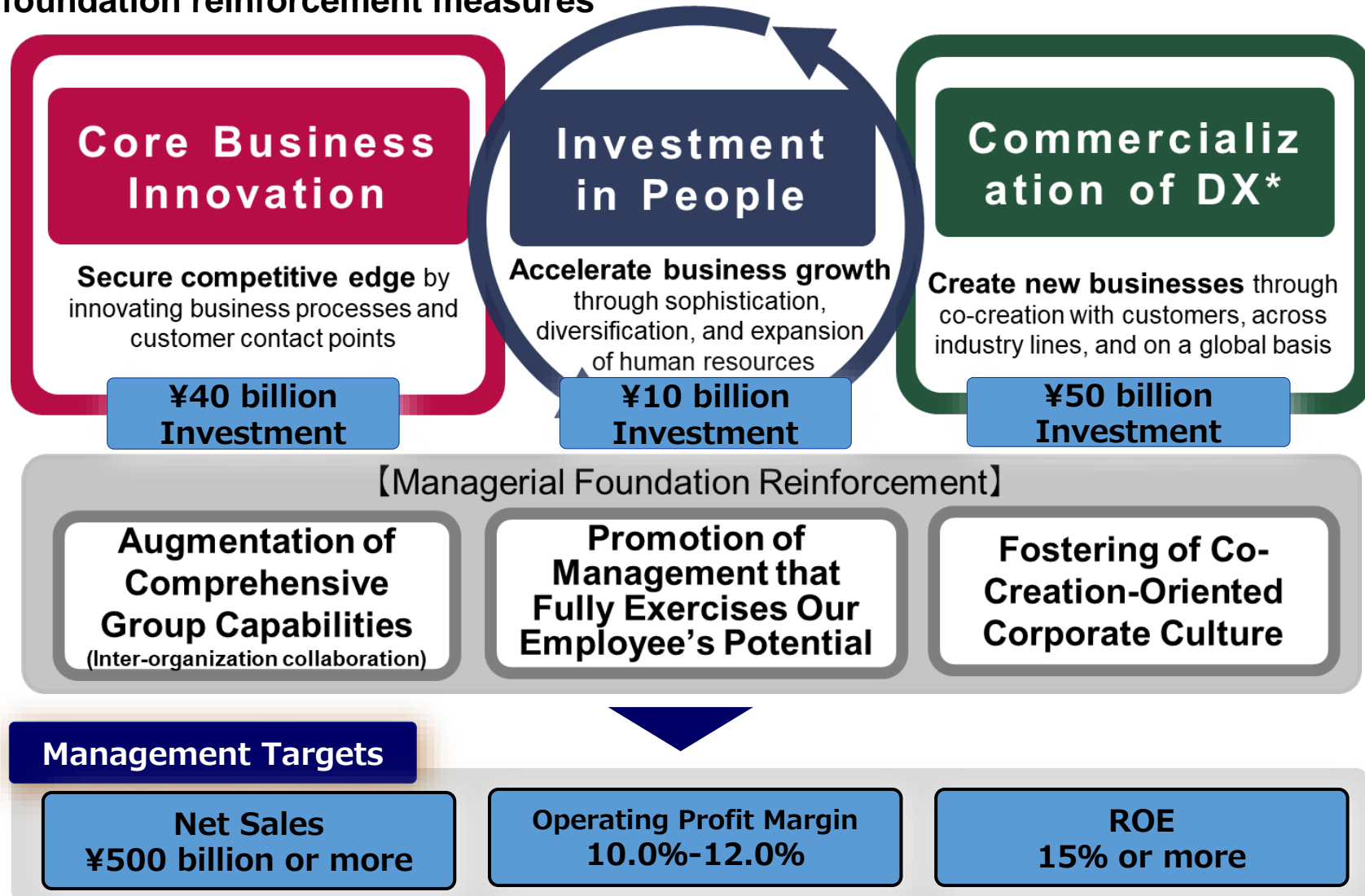
(Billions of Yen)

	FY2019 Results	FY2020 Forecasts	Increase/Decrease	
			Amount	%
Net Sales	385.2	380.0	-5.2	-1.4%
Operating Profit	40.0	41.0	0.9	2.4%
Net Profit Attributable to Owners of Parent	28.7	29.0	0.2	0.8%

Medium-Term Management Plan

- Core Strategies – (FY2020 to FY2022)

- Expand global operations by advancing three core strategies and managerial foundation reinforcement measures



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We create our future of dreams
by establishing value
based on our customers' trust.

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