

Summary of Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2015

Company name: SRA Holdings, Inc.
 (URL: <http://www.sra-hd.co.jp/>)
Stock listing: Tokyo Stock Exchange
Code number: 3817
President: Toru Kashima
For inquiries, please contact: Makoto Kitai, General Manager, Finance Department, Administrative Headquarters
Tel: (03)-5979-2666
Scheduled date of submission of quarterly securities report: August 8, 2014
Scheduled commencement of dividend payment: —
Quarterly Results Supplemental Materials Yes
Quarterly Results Presentation Meeting No

1. Consolidated results for the first quarter of the fiscal year ending March 2015 (from April 1, 2014 to June 30, 2014)

(1) Consolidated Operating Results (cumulative total)

(All amounts rounded down, % change YoY)

| | Net Sales | | Operating Income | | Ordinary Profit | | Net Income | |
|------------------------------|-----------------|-----|------------------|--------|-----------------|------|-----------------|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| First quarter of fiscal 2015 | 7,909 | 3.7 | 436 | 77.1 | 497 | 14.3 | (554) | - |
| First quarter of fiscal 2014 | 7,628 | 4.8 | 246 | (26.4) | 434 | 15.3 | (572) | - |

Note : Comprehensive Income

First quarter of fiscal 2015 (¥176) million(-%)

First quarter of fiscal 2014 (¥6) million(-%)

| | Net Income | Net Income |
|------------------------------|------------|--------------------------|
| | per Share | per Share after Dilution |
| | Yen | Yen |
| First quarter of fiscal 2015 | (46.32) | — |
| First quarter of fiscal 2014 | (43.60) | — |

(2) Consolidated Financial Position

| | Total Assets | Net Assets | Shareholders' Equity Ratio |
|------------------------------|-----------------|-----------------|----------------------------|
| | Millions of yen | Millions of yen | % |
| First quarter of fiscal 2015 | 28,958 | 16,486 | 56.9 |
| Fiscal 2014 | 29,527 | 17,083 | 57.7 |

Reference: Shareholders' equity

First quarter of fiscal 2015: ¥16,484 million

Fiscal 2014 : ¥17,051 million

2. Dividends

| | Dividend per Share | | | | |
|-----------------------|----------------------|-----------------------|----------------------|----------|--------------|
| | End of First Quarter | End of Second Quarter | End of Third Quarter | Year-end | For the Year |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal 2014 | — | 0.00 | — | 40.00 | 40.00 |
| Fiscal 2015 | — | | | | |
| Fiscal 2015(forecast) | | 17.00 | — | 28.00 | 45.00 |

Note: Revision of dividend forecast in this quarter: No

3. Consolidated Earnings Forecast for Fiscal 2015 (from April 1, 2014 to March 31, 2015)

(% of change from FY2014 First Half or FY2014)

| | Net Sales | | Operating Income | | Ordinary Profit | | Net Income | | Net Income per Share |
|--|-----------------|-----|------------------|------|-----------------|-----|-----------------|------|----------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| FY2015 First Half (for the six months ending September 30, 2014) | 17,000 | 4.2 | 1,130 | 17.0 | 1,230 | 3.0 | 790 | 18.8 | 66.04 |
| FY2015 | 37,300 | 6.1 | 3,260 | 16.1 | 3,460 | 4.1 | 2,230 | 4.5 | 186.40 |

Note: Revision of consolidated results forecast in this quarter: No

4. Others

(1) Changes to significant subsidiaries during the current period : No

(2) Application of simplified accounting and application of special accounting : No

(3) Changes in accounting principles and procedures, presentation, etc.

1. Changes caused by revision of accounting standards, etc. : Yes

2. Changes other than 1. above: No

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock)

First quarter of fiscal 2015: 15,240,000 shares

Fiscal 2014: 15,240,000 shares

2. Number of treasury stock

First quarter of fiscal 2015: 3,210,445 shares

Fiscal 2014: 3,297,610 shares

3. Average number of shares over period (consolidated total for quarter)

First quarter of fiscal 2015: 11,963,315 shares

First quarter of fiscal 2014: 13,138,291 shares

*Indication of quarterly review procedure implementation status

This earnings release is not subject to the quarterly review process as required by the Financial Instruments and Exchange Act of Japan. As of the date when this earning release was issued, the review process on quarterly financial statements as required by the Financial Instruments and Exchange Act had been finished.

*Explanation relating to the appropriate use of results forecasts, and other noteworthy items

Forward-looking statements in this earnings release, such as forecasts of results of operations, are based on the information currently available and the certain assumptions that we regard as reasonable and therefore actual results may differ materially from those contained in or suggested by any forward-looking statements.

1. Qualitative Information Concerning First-Quarter Consolidated Business Results

(1) Explanation Concerning Business Results

During the first quarter of the fiscal year (April 1, 2014 to June 30, 2014), despite weakness in personal consumption in reaction to a last-minute surge in demand prior to the consumption tax increase, the Japanese economy continued a moderate recovery on the back of increased capital investment and improved corporate earnings.

In the information services industry, despite an ongoing recovery in IT investments, the environment for securing orders remained severe due to intensifying competition.

Within this business environment, the SRA Holdings Group set the goal of surpassing its all-time high in consolidated net income during the final fiscal year of its Medium-Term Management Plan. In doing so, the Group implemented the following specific measures as part of efforts to “undertake structural reforms in existing businesses” as well as our “own IP products business” x “overseas business,” which is our medium- and long-term growth strategy.

■Undertake structural reforms in existing businesses

As measures to expand orders and sales by strengthening business capabilities, we created new projects through proposal-based sales that utilize our strong points and fortified our order management structure. As a result of these efforts, Software Research Associates, Inc. (SRA) recorded an increase in sales over the same period of the previous fiscal year. Meanwhile, to build a high-profit production structure we continued working to strengthen our staff allocation management and realize an appropriate level of production overhead costs.

■“Own IP products business” x “overseas business”

We made additional business investments in Cavirin Systems, Inc. with the aim of further implementing our medium- and long-term growth strategy of promoting our own IP products business in China, India, ASEAN and other growth markets.

In our own IP products business in Japan, we focused on expanding sales of such products as our comprehensive education solutions UniVision, our mail archive MailDepot, our digital content service BELEGA-DC and our EC building service BELEGA-EC.

In the healthcare field, where markets are expected to grow, we promoted business for the HEALTHPLAYER application for smartphones in collaboration with Practechs, Inc. as an initiative for developing a new business model.

Due to the above initiatives, our consolidated business results for the first quarter of the fiscal year were as follows.

In terms of net sales, although sales in the Product Sales business were flat, the Systems Development business posted higher sales while the System Operations and Infrastructure Development business recorded a sharp increase in sales. As a result, consolidated net sales amounted to ¥7,909 million, a 3.7% increase from the same period of the previous fiscal year.

At the profit level, operating income surged 77.1% from the same period of the previous fiscal year to ¥436 million due to growth in sales and an improvement in the gross profit margin, and ordinary profit rose 14.3% from the same period of the previous fiscal year to ¥497 million.

A loss on valuation of investment securities for shares in SJI Inc. held by the SRA Group was posted as an extraordinary loss. As a result, a net loss of ¥554 million was recorded.

The Company applied the reversal method (*araigae* method, which allows for upward revisions at the beginning of the next fiscal period). Therefore, depending on the market value of securities during or at the end of this fiscal year, there is the possibility that the amount of this extraordinary loss will change or that no extraordinary loss will be recorded on the valuation of securities.

A summary of consolidated business results for the first quarter by business segment is shown below.

1) Systems Development

The Systems Development business recorded increases in sales to banks and securities companies. As a result, net sales edged up 5.1% from the same period of the previous fiscal year to ¥3,921 million.

2) System Operations and Infrastructure Development

Although university-related orders were flat, there was an increase in orders from companies. As a result, net sales of the System Operations and Infrastructure Development business increased 12.2% from the same period of the previous fiscal year to ¥933 million.

3) Product Sales

Advanced Integration Technology, Inc. (AIT) posted a slight decline in sales, but SRA recorded an increase in package sales. As a result, net sales of the Product Sales business were virtually level, decreasing 0.3% from the same period of the previous fiscal year to ¥3,055 million.

(2) Explanation Concerning Financial Condition

Total assets at the end of the fiscal year amounted to ¥28,958 million, a decrease of 1.9% from the end of the previous fiscal year. Total liabilities increased 0.2% from the end of the previous fiscal year to ¥12,471 million and net assets decreased 3.5% to ¥16,486 million from the end of the previous fiscal year. Details of the principal increases and decreases from the end of the previous fiscal year are as follows.

(Total Assets)

Cash and deposits increased ¥1,551 million to ¥9,240 million due to the collection of trade receivables. Work in process increased ¥535 million to ¥1,966 million due to such factors as a rise in contracted development projects. On the other hand, notes and accounts receivable—trade decreased ¥2,215 million to ¥4,640 million due to the collection of trade receivables.

(Total Liabilities)

Provision for bonuses increased ¥349 million to ¥899 million. Income taxes payable decreased ¥629 million to ¥252 million owing to the payment of corporate income taxes.

(Total Net Assets)

Valuation difference on available-for-sale securities increased ¥431 million to ¥669 million due to changes in the market prices of marketable and investment securities. On the other hand, retained earnings decreased ¥1,031 million to ¥13,300 million.

(3) Explanation Concerning Consolidated Results Forecast and Other Future Projections

No revision has been made to forecasts in Summary of Consolidated Financial Results for the Year Ended March 31, 2014 released on May 8, 2014.

2. Summary Information (Notes)

- (1) Significant changes involving subsidiaries during the period: None
- (2) Application of simplified accounting methods and accounting methods specific to the preparation of the quarterly consolidated financial statements: None
- (3) Changes in accounting principles, changes in accounting estimates and restatements

(Change in Accounting Policies)

Effective from the first quarter of the fiscal year ending March 31, 2015, the Company adopted the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012, hereafter, "Standard") and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012, hereafter, "Guidance"), as set out in the main clause of paragraph 35 of the Standard and the main clause of paragraph 67 of the Guidance. Accordingly, the methods for calculating retirement benefit obligations and service costs have been revised. The method of attributing expected benefit payments to periods has been changed from a point basis to the benefit formula basis and the method of determining the discount rate has been changed from a discount rate based on the approximate number of years of the average remaining service period of employees for the liability period that serves as the basis for determining the discount rate to a single weighted average discount rate reflecting the expected timing and amount of benefit payment in each period.

The adoption of the Standard and the Guidance conforms with the transitional treatment stipulated by paragraph 37 of the Standard.

The impact of this change on net defined benefit liability and retained earnings at the beginning of the first quarter as well as on operating income, ordinary profit and income before income taxes and minority interests in the first quarter of the fiscal year was immaterial.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

| | FY2014 (as of March 31, 2014) | End of first quarter of FY2015 (as of June 30, 2014) |
|--|----------------------------------|---|
| ASSETS | | |
| Current assets: | | |
| Cash and deposits | 7,689 | 9,240 |
| Notes and accounts receivable—trade | 6,855 | 4,640 |
| Short-term investment securities | 3,112 | 3,112 |
| Merchandise and finished goods | 300 | 642 |
| Work in process | 1,430 | 1,966 |
| Deferred tax assets | 546 | 676 |
| Other | 2,208 | 1,978 |
| Allowance for doubtful accounts | (27) | (20) |
| Total current assets | 22,117 | 22,237 |
| Noncurrent assets: | | |
| Property, plant and equipment | | |
| Buildings | 346 | 350 |
| Accumulated depreciation | (249) | (254) |
| Buildings, net | 97 | 95 |
| Machinery, equipment and vehicles | 575 | 574 |
| Accumulated depreciation | (517) | (516) |
| Machinery, equipment and vehicles, net | 58 | 57 |
| Other | 114 | 115 |
| Accumulated depreciation | (75) | (76) |
| Other, net | 39 | 38 |
| Total property, plant and equipment | 195 | 192 |
| Intangible assets | | |
| Other | 672 | 643 |
| Total intangible assets | 672 | 643 |
| Investments and other assets | | |
| Investment securities | 3,618 | 3,388 |
| Deferred tax assets | 1,421 | 1,182 |
| Guarantee deposits | 370 | 378 |
| Net defined benefit asset | 42 | 43 |
| Other | 1,206 | 1,008 |
| Allowance for doubtful accounts | (13) | (13) |
| Allowance for investment loss | (104) | (102) |
| Total investments and other assets | 6,542 | 5,885 |
| Total noncurrent assets | 7,410 | 6,720 |
| Total assets | 29,527 | 28,958 |

(Millions of Yen)

| | FY2014 (as of March 31, 2014) | End of first quarter of FY2015 (as of June 30, 2014) |
|---|----------------------------------|---|
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable—trade | 3,211 | 3,127 |
| Short-term loans payable | 1,509 | 1,539 |
| Accrued expenses | 583 | 662 |
| Income taxes payable | 882 | 252 |
| Accrued consumption taxes | 255 | 192 |
| Provision for bonuses | 550 | 899 |
| Provision for directors' bonuses | 50 | 3 |
| Provision for loss on construction contracts | 416 | 463 |
| Asset retirement obligations | 18 | 14 |
| Other | 851 | 1,187 |
| Total current liabilities | 8,329 | 8,342 |
| Noncurrent liabilities: | | |
| Deferred tax liabilities | 9 | 9 |
| Net defined benefit liability | 3,926 | 3,973 |
| Provision for directors' retirement benefits | 161 | 125 |
| Other | 17 | 20 |
| Total noncurrent liabilities | 4,114 | 4,128 |
| Total liabilities | 12,443 | 12,471 |
| NET ASSETS | | |
| Shareholders' equity | | |
| Capital stock | 1,000 | 1,000 |
| Capital surplus | 4,475 | 4,469 |
| Retained earnings | 14,332 | 13,300 |
| Treasury stock | (2,826) | (2,732) |
| Total shareholders' equity | 16,982 | 16,037 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 238 | 669 |
| Foreign currency translation adjustments | 229 | 172 |
| Remeasurements of defined benefit plans | (399) | (395) |
| Total accumulated other comprehensive income | 68 | 446 |
| Subscription rights to shares | 32 | 2 |
| Total net assets | 17,083 | 16,486 |
| Total liabilities and net assets | 29,527 | 28,958 |

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Consolidated Cumulative Total for First Quarter)

(Millions of Yen)

| | Consolidated cumulative total for first quarter of fiscal 2014 (from April 1, 2013 to June 30, 2013) | Consolidated cumulative total for first quarter of fiscal 2015 (from April 1, 2014 to June 30, 2014) |
|---|--|--|
| Net sales | 7,628 | 7,909 |
| Cost of sales | 6,451 | 6,523 |
| Gross profit | 1,177 | 1,386 |
| Selling, general and administrative expenses | 930 | 950 |
| Operating income | 246 | 436 |
| Non-operating income | | |
| Interest received | 46 | 47 |
| Dividends received | 31 | 12 |
| Foreign exchange gains | 72 | — |
| Guarantee commission received | 16 | 29 |
| Other | 33 | 21 |
| Total non-operating income | 199 | 110 |
| Non-operating expenses | | |
| Interest expenses | 6 | 6 |
| Foreign exchange losses | — | 37 |
| Stock transfer agency service fee | 4 | 5 |
| Other | 0 | 0 |
| Total non-operating expenses | 11 | 50 |
| Ordinary profit | 434 | 497 |
| Extraordinary income | | |
| Gain on sales of investment securities | 4 | — |
| Gain on reversal of subscription rights to shares | — | 21 |
| Other | 0 | — |
| Total extraordinary income | 4 | 21 |
| Extraordinary loss | | |
| Loss on retirement of noncurrent assets | 0 | 0 |
| Loss on valuation of investment securities | 778 | 886 |
| Other | 10 | — |
| Total extraordinary loss | 789 | 886 |

| | | |
|---|-------|-------|
| Income (loss) before income taxes and minority interests | (349) | (367) |
| Income taxes-current | 411 | 317 |
| Income taxes-deferred | (189) | (130) |
| Total income taxes | 222 | 186 |
| Income (loss) before minority interests | (572) | (554) |
| Net income (loss) | (572) | (554) |

(Quarterly Consolidated Statements of Comprehensive Income)

(Consolidated Cumulative Total for First Quarter)

| | | |
|--|-------|-------|
| Income (loss) before minority interests | (572) | (554) |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 414 | 431 |
| Foreign currency translation adjustments | 152 | (56) |
| Remeasurements of defined benefit plans, net of tax | — | 3 |
| Total other comprehensive income | 566 | 377 |
| Comprehensive income | (6) | (176) |
| (breakdown) | | |
| Comprehensive income attributable to parent company shareholders | (6) | (176) |
| Comprehensive income attributable to minority shareholders | — | — |

(3) Notes Concerning Consolidated Financial Statements for the First Quarter

(Notes Concerning Premise of Going Concern)

None

(Notes on Significant Changes in Shareholders' Equity)

None

(Segment Information and others)

[Segment Information]

I. Consolidated cumulative total for first quarter of fiscal 2014 (from April 1, 2013 to June 30, 2013)

1. Information Concerning Net Sales and Income or Losses for each Reporting Segment

(Millions of Yen)

| | Systems Development | System Operations and Infrastructure Development | Product Sales | Total | Adjustment amount ^{*1} | Amount recorded on the quarterly consolidated statements of income ^{*2} |
|---|------------------------|--|------------------|-------|------------------------------------|---|
| Sales | | | | | | |
| ● Sales to Customers | 3,731 | 831 | 3,065 | 7,628 | — | 7,628 |
| ● Intersegment sales or transfers | 8 | 68 | 117 | 194 | (194) | — |
| Total sales | 3,740 | 900 | 3,182 | 7,823 | (194) | 7,628 |
| Operating income | 236 | 174 | 145 | 556 | (309) | 246 |

Notes:

1. The segment income adjustment of minus ¥309 million is a company-wide expense not apportioned to any reporting segment. Company-wide expenses are general and administrative expenses and R&D expenses not attributed to any reporting segment.
2. Segment operating income is adjusted in operating income on the quarterly consolidated statements of income.

2. Information concerning impairment loss on fixed assets or goodwill for each reporting segment

None

II. Consolidated cumulative total for first quarter of fiscal 2015 (from April 1, 2014 to June 30, 2014)

1. Information Concerning Net Sales and Income or Losses for each Reporting Segment

(Millions of Yen)

| | Systems Development | System Operations and Infrastructure Development | Product Sales | Total | Adjustment amount ^{*1} | Amount recorded on the quarterly consolidated statements of income ^{*2} |
|---|------------------------|--|------------------|-------|------------------------------------|---|
| Sales | | | | | | |
| ● Sales to Customers | 3,921 | 933 | 3,055 | 7,909 | — | 7,909 |
| ● Intersegment sales or transfers | 1 | 78 | 120 | 199 | (199) | — |
| Total sales | 3,922 | 1,011 | 3,175 | 8,109 | (199) | 7,909 |
| Operating income | 286 | 210 | 243 | 740 | (303) | 436 |

Notes:

1. The segment income adjustment of minus ¥303 million is a company-wide expense not apportioned to any reporting segment. Company-wide expenses are general and administrative expenses and R&D expenses not attributed to any reporting segment.
2. Segment operating income is adjusted in operating income on the quarterly consolidated statements of income.

2. Information concerning impairment loss on fixed assets or goodwill for each reporting segment

None

(Significant subsequent events)

1. Granting of stock options linked to the Medium-Term Management Plan

At a meeting of the Board of Directors of SRA convened on August 7, 2014, the Board decided to grant stock options as detailed below to directors and employees of the Company and directors, managing officers and employees of the Company's subsidiaries in accordance with the regulations of Article 236, 238 and 240-1 of the Corporate Law of Japan.

1) Persons eligible and number of persons

Directors and employees of the Company and directors, managing officers and employees of the Company's subsidiaries (48 persons)

2) Allocation date

August 25, 2014

3) Total number of subscription rights to shares

912 subscription rights

4) Type of shares allotted to subscription rights to shares

Common shares of the Company

5) Number of shares allotted to subscription rights to shares

182,400 shares (200 shares per one subscription right)

6) Subscription price when subscription rights to shares are exercised

Value of assets to be invested when subscription rights to shares are (when one (1) subscription right to shares is) exercised shall be the exercise price (hereafter the exercise price) per one (1) share multiplied by number of granted shares per one (1) subscription right to shares as determined by the following.

The exercise price shall be the final average closing price of the Company's ordinary shares traded on the Tokyo Stock Exchange for each day (excluding non-trading days) of the month preceding the month with the day when subscription rights to shares are allotted multiplied by 1.1 (any fractions less than ¥1 shall be rounded up). However, in the event the said price is below that of the closing price on the date of the allotment of subscription rights to shares (or the closing price of the closest preceding date if there is no trading), the exercise price shall be the closing price.

7) Exercise period for subscription rights to shares

From July 1, 2016 to June 30, 2018

8) Matters concerning capital and capital reserve upon issuance of shares by exercise of subscription rights to shares

[1] The amount of the increase in capital upon issuance of shares by exercise of subscription rights to shares shall be 50% of the maximum increase amount of capital, etc., as calculated according to the Company Accounting Regulations, Article 17, Paragraph 1, with any fraction of less than ¥1 being rounded up.

[2] The amount of the increase in capital reserves upon issuance of shares by exercise of subscription rights to shares shall be the amount after deducting the increase in capital calculated in the above (1) from the maximum increase amount of capital, etc., listed in the above (1).

9) Conditions for exercising subscription rights to shares

[1] The holders of the subscription rights to shares shall be able to exercise the rights only when ordinary profit on the final Consolidated Statements of Income for the Company's 25th fiscal term (the fiscal year ending

March 2015) or for any prior fiscal term exceeds ¥3.46 billion or when net income for the same period exceeds ¥2.23 billion (hereafter “exercise standard target value”). However, in the event of such factors as an abrupt change in the management environment, the “exercise standard target value” may be changed within a range of $\pm 30\%$ based on a resolution by the Board of Directors.

[2] Even during the period for exercising the subscription rights to shares, persons who are not directors and employees of the Company or directors, managing officers and employees of the Company’s subsidiaries shall not be allowed to exercise the subscription rights. However, this shall not be applied in cases in which a person leaves their position due to the expiration of the term of Director or mandatory retirement or for any other due reason.

[3] Inheritance of subscription rights to shares shall not be allowed

[4] The Board of Directors shall be able to attach other necessary conditions. However, conditions attached by the Board of Directors shall be effective only when stipulated by a “subscription rights to shares allocation agreement” concluded between the Company and the persons eligible for the allocation of subscription rights to shares.

2. Extension of loan repayment period

Subsidiary SRA provided a loan to Kingnet with the aim of strengthening its relationship with that company. However, the Board of Directors of SRA passed a resolution and extended the loan repayment period at a meeting of the Board of Directors of SRA convened on July 17, 2014.

Loan amount: US\$8,000 thousand

Loan repayment period before change: July 31, 2014

Loan repayment period after change: September 30, 2014

3. Extension of liability guarantee period

Subsidiary SRA provided a liability guarantee for short-term borrowings by SJI Inc., with which it has a business alliance and capital alliance. However, based upon a request by that company for an extension of the guarantee period, the Board of Directors of SRA passed a resolution and extended the liability guarantee period as detailed below at a meeting of the Board of Directors of SRA convened on July 17, 2014.

Amount of liability guarantee: ¥1,500 million

Period of liability guarantee before change: July 31, 2014

Period of liability guarantee after change: August 29, 2014

4. Other Information

1. Status of Production, Orders and Sales

- Production amounts

Production by segment in the first quarter of the fiscal year ending March 31, 2015 is as follows.

| Segment information by type of business | Consolidated cumulative total for first quarter of fiscal 2015 (from April 1, 2014 to June 30, 2014) | % change YoY |
|--|--|--------------|
| Systems Development (Millions of Yen) | 4,473 | 104.4 |
| System Operations and Infrastructure Development (Millions of Yen) | 961 | 113.4 |
| Total (Millions of Yen) | 5,435 | 105.9 |

Notes:

1. Amounts are based on sales price.
2. The amounts above do not include consumption tax.
3. Intersegment transactions are offset.

- Purchase amounts

Purchases by segment in the first quarter of the fiscal year ending March 31, 2015 are as follows.

| Segment information by type of business | Consolidated cumulative total for first quarter of fiscal 2015 (from April 1, 2014 to June 30, 2014) | % change YoY |
|---|--|--------------|
| Product Sales (Millions of Yen) | 2,127 | 99.2 |
| Total (Millions of Yen) | 2,127 | 99.2 |

Notes:

1. Amounts are based on purchase price.
2. The amounts above do not include consumption tax.
3. Intersegment transactions are offset.

- Status of orders

Status of orders by segment in the first quarter of the fiscal year ending March 31, 2015 is as follows.

| Segment information by type of business | Orders received (Millions of Yen) | % change YoY | Order backlog (Millions of Yen) | % change YoY |
|--|--------------------------------------|--------------|------------------------------------|--------------|
| Systems Development | 4,569 | 95.5 | 5,058 | 104.5 |
| System Operations and Infrastructure Development | 632 | 97.3 | 1,322 | 103.1 |
| Product Sales | 3,498 | 109.7 | 3,170 | 95.2 |
| Total | 8,700 | 100.9 | 9,550 | 101.0 |

Notes:

1. Amounts are based on sales price.
2. The amounts above do not include consumption tax.
3. Intersegment transactions are offset.

- Sales amounts

Sales by segment in the first quarter of the fiscal year ending March 31, 2015 are as follows.

| Segment information by type of business | Consolidated cumulative total for first quarter of fiscal 2015 (from April 1, 2014 to June 30, 2014) | % change YoY |
|--|--|--------------|
| Systems Development (Millions of Yen) | 3,921 | 105.1 |
| System Operations and Infrastructure Development (Millions of Yen) | 933 | 112.2 |
| Product Sales (Millions of Yen) | 3,055 | 99.7 |
| Total (Millions of Yen) | 7,909 | 103.7 |

Notes:

1. Amounts are based on sales price.
2. The amounts above do not include consumption tax.
3. Intersegment transactions are offset.