



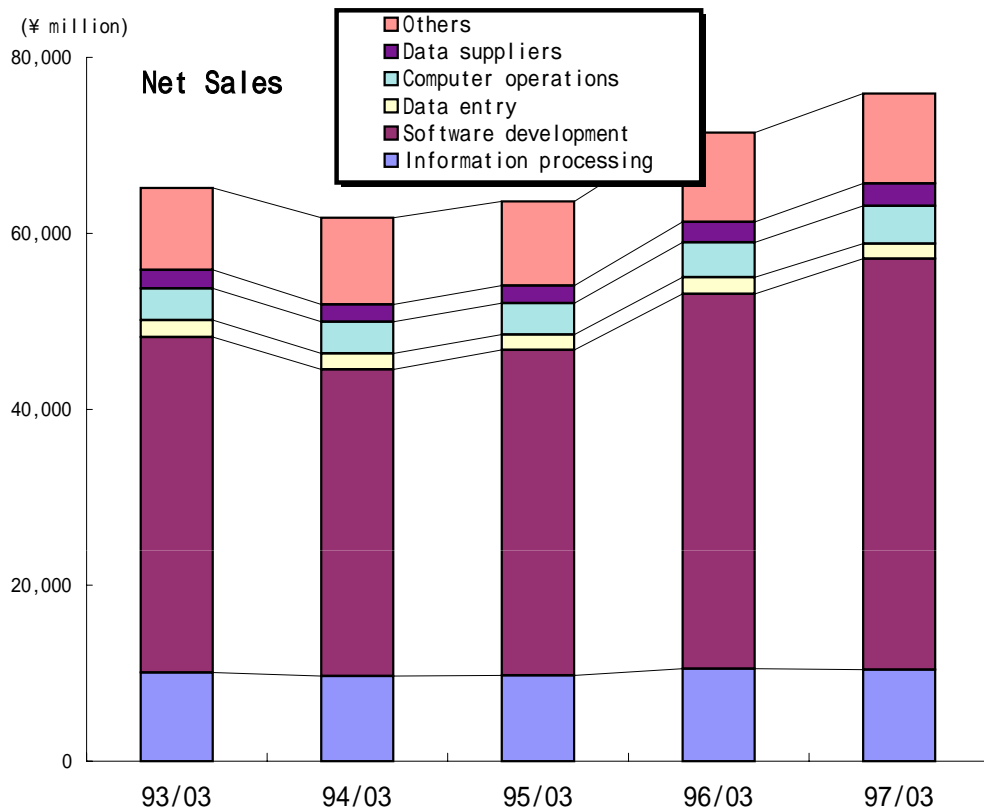
**Japan Information Processing Service Co., Ltd.**

## **Fact Book (Year Ended March 31, 1999)**

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# 1 . The Information Processing Services Industry

## 1.1 Scale



### Net Sales

[¥ million]

	93/03	94/03	95/03	96/03	97/03
<b>Total net sales</b>	65,143	61,770	63,621	71,435	75,880
<b>Information processing</b>	10,082	9,659	9,764	10,520	10,418
<b>Software development</b>	38,132	34,858	36,971	42,591	46,685
<b>Data entry</b>	1,913	1,842	1,775	1,887	1,732
<b>Computer operations</b>	3,590	3,585	3,563	3,959	4,267
<b>Data suppliers</b>	2,115	1,988	1,972	2,354	2,578
<b>Others</b>	9,311	9,838	9,576	10,124	10,200

### Annual Growth Rate

[%]

	93/03	94/03	95/03	96/03	97/03
<b>Total net sales</b>	-	-5.2%	3.0%	12.3%	6.2%
<b>Information processing</b>	-	-4.2%	1.1%	7.7%	-1.0%
<b>Software development</b>	-	-8.6%	6.1%	15.2%	9.6%
<b>Data entry</b>	-	-3.7%	-3.6%	6.3%	-8.2%
<b>Computer operations</b>	-	-0.1%	-0.6%	11.1%	7.8%
<b>Data suppliers</b>	-	-6.0%	-0.8%	19.4%	9.5%
<b>Others</b>	-	5.7%	-2.7%	5.7%	0.8%

### Sales Composition

[%]

	93/03	94/03	95/03	96/03	97/03
<b>Total net sales</b>	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Information processing</b>	15.5%	15.6%	15.3%	14.7%	13.7%
<b>Software development</b>	58.5%	56.4%	58.1%	59.6%	61.5%
<b>Data entry</b>	2.9%	3.0%	2.8%	2.6%	2.3%
<b>Computer operations</b>	5.5%	5.8%	5.6%	5.5%	5.6%
<b>Data suppliers</b>	3.2%	3.2%	3.1%	3.3%	3.4%
<b>Others</b>	14.3%	15.9%	15.1%	14.2%	13.4%

Source: Compiled by JIP based on data in "Report on Surveys of Results in Selected Service Industries" published by MITI.

## 1.2 Growth Rate

### Net Sales

[¥ million]

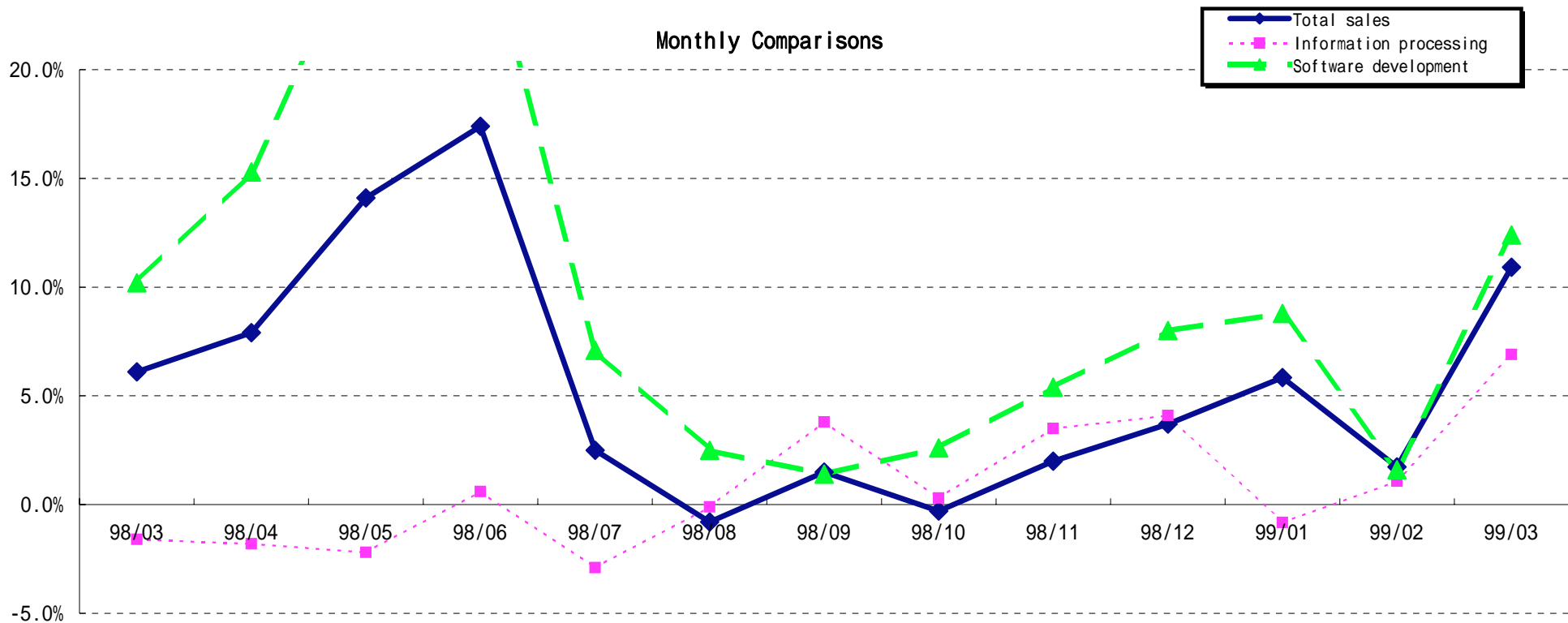
End of month	98/03	98/04	98/05	98/06	98/07	98/08	98/09	98/10	98/11	98/12	99/01	99/02	99/03
<b>Total sales</b>	876,024	264,024	308,873	403,604	321,639	294,408	616,568	281,525	299,640	429,798	332,162	340,844	971,592
<b>Information processing</b>	76,165	50,107	51,270	56,081	53,521	52,722	65,153	51,007	53,811	59,756	51,508	53,164	81,427
<b>Software development</b>	696,552	154,924	200,344	282,597	208,681	184,849	469,564	172,504	187,032	307,606	220,830	227,124	782,908
<b>Computer operations</b>	24,552	18,863	20,014	22,491	20,001	18,866	24,119	18,695	20,383	21,057	20,533	20,035	27,520
<b>Data suppliers</b>	12,360	13,430	11,227	11,429	11,224	10,535	11,747	11,323	11,296	10,605	10,065	10,924	11,873

### Monthly Comparisons

[%]

End of month	98/03	98/04	98/05	98/06	98/07	98/08	98/09	98/10	98/11	98/12	99/01	99/02	99/03
<b>Total sales</b>	6.1%	7.9%	14.1%	17.4%	2.5%	-0.8%	1.5%	-0.3%	2.0%	3.7%	5.8%	1.7%	10.9%
<b>Information processing</b>	-1.6%	-1.8%	-2.2%	0.6%	-2.9%	-0.1%	3.8%	0.3%	3.5%	4.1%	-0.8%	1.1%	6.9%
<b>Software development</b>	10.2%	15.3%	26.8%	27.0%	7.1%	2.5%	1.4%	2.6%	5.4%	8.0%	8.8%	1.6%	12.4%
<b>Computer operations</b>	12.6%	16.6%	22.9%	23.7%	15.3%	-2.5%	15.6%	7.1%	12.2%	-2.6%	13.8%	12.1%	12.1%
<b>Data suppliers</b>	-9.1%	9.1%	-2.5%	-3.4%	-100.0%	-0.9%	-6.3%	-2.0%	-1.5%	-9.4%	-2.4%	-0.6%	-3.9%

Source: Compiled by JIPS based on data in "Monthly Statistical Report on Trends in Selected Service Industries" published by MITI.



## 2 . Peer Group Comparisons

### 2.1 Industry Ranking

Net Sales (year ended March 31, 1998)		[¥ million]	
Ranking	Company	Net Sales	Notes
1	NTT Data Communications Systems	669,228	Listed
2	Fujitsu Business System	203,557	Listed
3	Toshiba Engineering	133,288	
4	Nomura Research Institute	132,592	
5	Hitachi Software Engineering	120,024	Listed
6	CSK	104,529	Listed
7	Hitachi Information Systems	94,296	Listed
8	Nippon Steel Information & Communication Systems	82,941	
9	INTEC	75,568	Listed
10	Catena	74,086	Listed
11	Fujitsu Facom Information Processing	68,053	
12	Toyo Information Systems	67,233	Listed
13	The Japan Research Institute	64,528	
14	Toshiba Information Systems	61,013	
15	Nippon Information and Communication	56,797	
16	NEC Information Service	55,296	
17	JT Soft Service	54,855	
18	JR East Japan Information Systems	51,077	
19	Daiwa Institute Research of Research Ltd.	44,734	July year end
20	Information Seavices International-Dentsu	41,447	
21	TKC	41,441	Sept.year end, listed
22	QUICK Corporation	41,041	Dec.year end
23	Japan Information Processing Service	40,653	Listed
24	NEC Software	40,524	
25	NK-EXA	40,262	

This listing was compiled by JIP based on data in the September 1998 issue of Computopia, which is published by Computer Age. All data are for fiscal years ended March 31, 1998 unless otherwise noted.

## 2.2 Sales Composition

Net Sales (year ended March 31, 1998)

[¥ million]

	Diamond Com.	Sumisho Com.	INTEC	Hitachi Info.	Ines	Toyo Info.	JIPS
Net Sales	34,092	39,507	75,568	94,296	28,634	67,232	40,653
Data processing	11,591	12,821	30,227	25,368	12,313	20,842	16,540
Software development	16,364	20,920	27,204	20,742	9,736	26,220	8,205
Product sales	6,137	6,321	18,136	32,033	6,872	20,170	15,894
Others	0	0	0	14,774	0	0	0

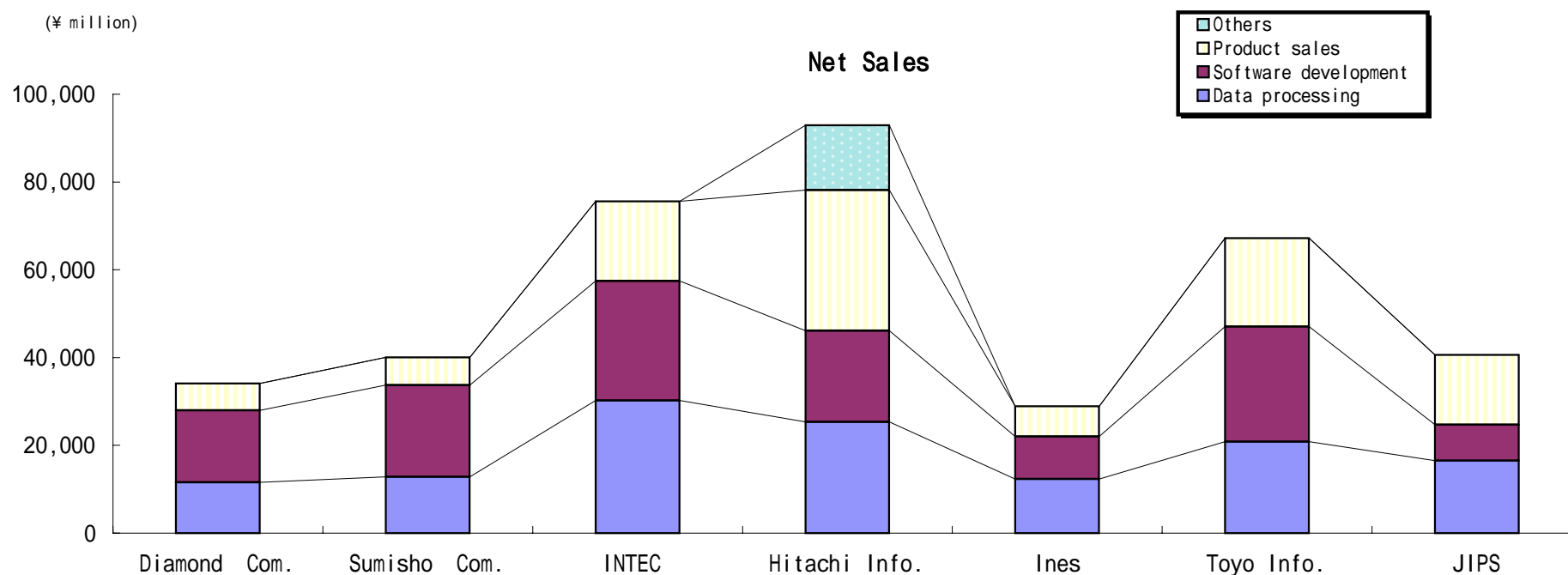
Composition

[%]

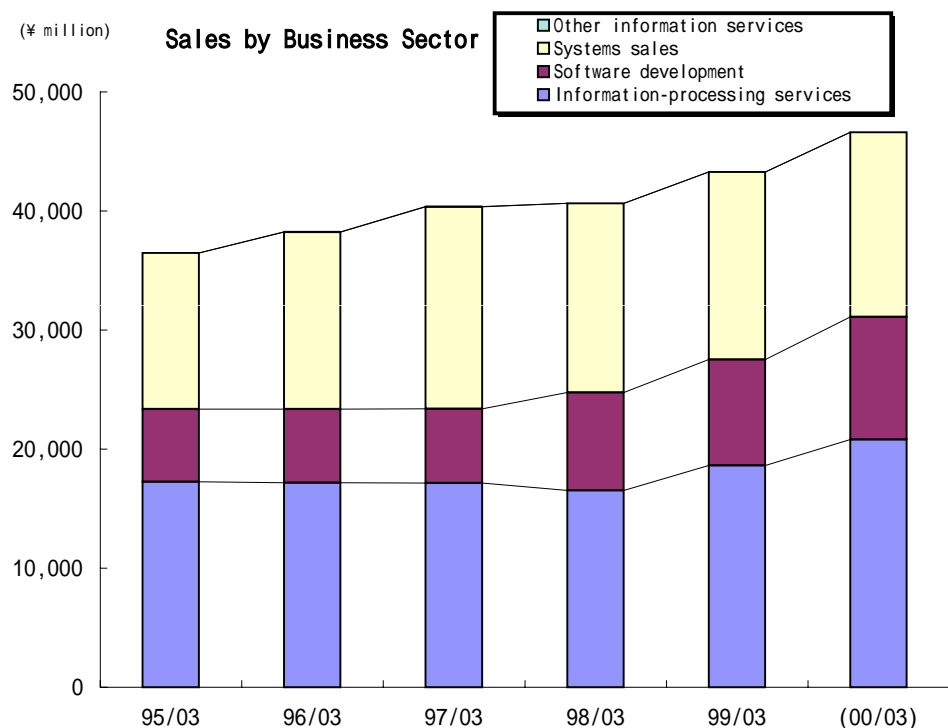
	Diamond Com.	Sumisho Com.	INTEC	Hitachi Info.	Ines	Toyo Info.	JIPS
Net Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Data processing	34.0%	32.5%	40.0%	26.9%	43.0%	31.0%	40.7%
Software development	48.0%	53.0%	36.0%	22.0%	34.0%	39.0%	20.2%
Product sales	18.0%	16.0%	24.0%	34.0%	24.0%	30.0%	39.1%
Others	0.0%	0.0%	0.0%	15.7%	0.0%	0.0%	0.0%

Data represent JIP estimates based on financial materials from each company.

(¥ million)

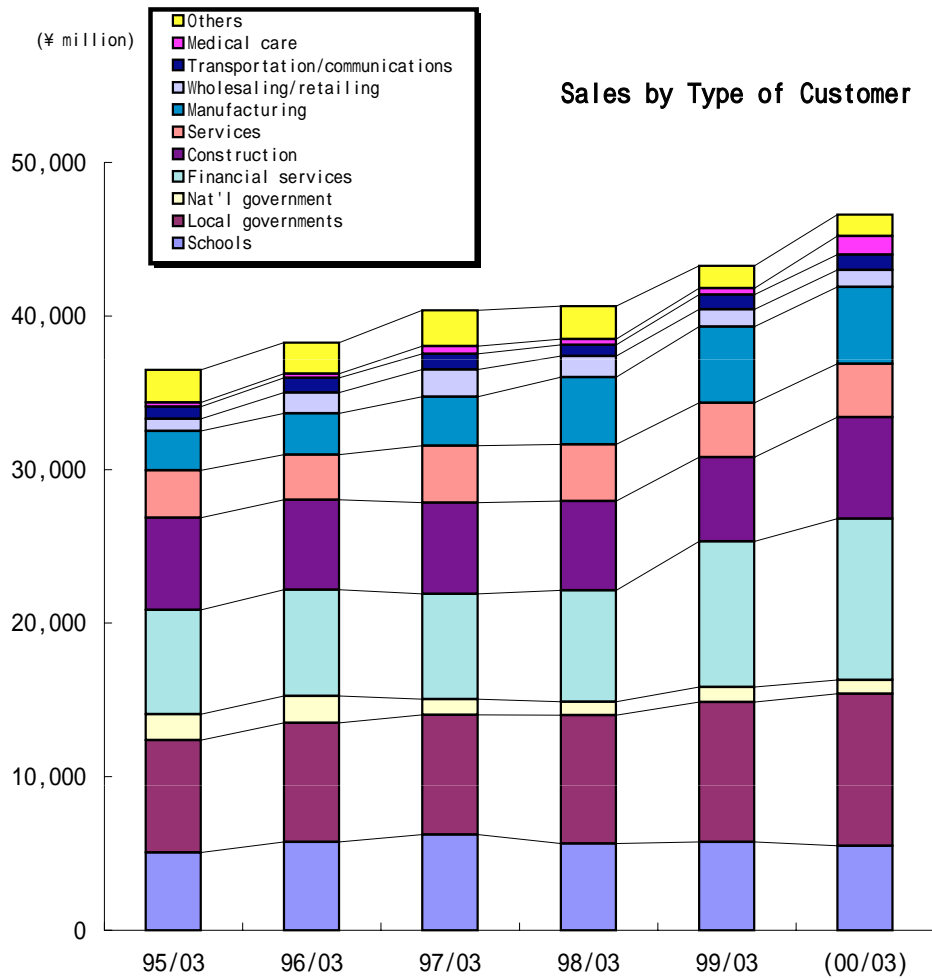


### 3.Sales by Business Sector(Parent-only data through 99/03)



Sales by Business Sector						[¥ million]
Year ended March 31	95/03	96/03	97/03	98/03	99/03	(00/03)
<b>Net sales</b>	36,489	38,268	40,369	40,653	43,284	46,600
<b>Information-processing services</b>	17,245	17,169	17,152	16,540	18,624	20,800
<b>Outsourcing</b>	16,045	16,033	15,937	15,221	17,016	19,800
<b>Information services</b>	820	793	849	847	908	1,000
<b>Others</b>	379	341	365	470	700	-
<b>Software development</b>	6,122	6,194	6,228	8,205	8,909	10,300
<b>Consignment development</b>	3,943	4,060	3,881	5,428	5,512	6,100
<b>Package software sales</b>	2,156	2,097	2,249	2,734	3,364	4,200
<b>Others</b>	22	36	98	42	32	-
<b>Systems sales</b>	13,112	14,876	16,967	15,894	15,750	15,500
<b>Hardware and other equipment</b>	9,953	11,342	12,879	11,636	11,231	11,500
<b>Sales of purchased software</b>	1,331	1,600	2,112	1,953	2,039	2,000
<b>Hardware maintenance services</b>	1,364	1,489	1,567	1,905	2,093	2,000
<b>Others</b>	461	443	407	398	385	-
<b>Other information services</b>	9	27	20	12	-	0
<b>Change</b>						[%]
Year ended March 31	95/03	96/03	97/03	98/03	99/03	(00/03)
<b>Net sales</b>	-	4.9%	5.5%	0.7%	6.5%	7.7%
<b>Information-processing services</b>	-	-0.4%	-0.1%	-3.6%	12.6%	11.7%
<b>Outsourcing</b>	-	-0.1%	-0.6%	-4.5%	11.8%	16.4%
<b>Information services</b>	-	-3.3%	7.1%	-0.2%	7.2%	10.1%
<b>Others</b>	-	-10.0%	7.0%	28.8%	48.9%	-
<b>Software development</b>	-	1.2%	0.5%	31.7%	8.6%	15.6%
<b>Consignment development</b>	-	3.0%	-4.4%	39.9%	1.5%	10.7%
<b>Package software sales</b>	-	-2.7%	7.2%	21.6%	23.0%	24.9%
<b>Others</b>	-	63.6%	172.2%	-57.1%	-23.8%	-
<b>Systems sales</b>	-	13.5%	14.1%	-6.3%	-0.9%	-1.6%
<b>Hardware and other equipment</b>	-	14.0%	13.6%	-9.7%	-3.5%	2.4%
<b>Sales of purchased software</b>	-	20.2%	32.0%	-7.5%	4.4%	-1.9%
<b>Hardware maintenance services</b>	-	9.2%	5.2%	21.6%	9.9%	-4.4%
<b>Others</b>	-	-3.9%	-8.1%	-2.2%	-3.3%	-
<b>Other information services</b>	-	200.0%	-25.9%	-40.0%	-	-
<b>Sales Composition</b>						[%]
Year ended March 31	95/03	96/03	97/03	98/03	99/03	(00/03)
<b>Net sales</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Information-processing services</b>	47.3%	44.9%	42.5%	40.7%	43.0%	44.6%
<b>Outsourcing</b>	44.0%	41.9%	39.5%	37.4%	39.3%	42.5%
<b>Information services</b>	2.2%	2.1%	2.1%	2.1%	2.1%	2.1%
<b>Others</b>	1.0%	0.9%	0.9%	1.2%	1.6%	-
<b>Software development</b>	16.8%	16.2%	15.4%	20.2%	20.6%	22.1%
<b>Consignment development</b>	10.8%	10.6%	9.6%	13.4%	12.7%	13.1%
<b>Package software sales</b>	5.9%	5.5%	5.6%	6.7%	7.8%	9.0%
<b>Others</b>	0.1%	0.1%	0.2%	0.1%	0.1%	-
<b>Systems sales</b>	35.9%	38.9%	42.0%	39.1%	36.4%	33.3%
<b>Hardware and other equipment</b>	27.3%	29.6%	31.9%	28.6%	25.9%	24.7%
<b>Sales of purchased software</b>	3.6%	4.2%	5.2%	4.8%	4.7%	4.3%
<b>Hardware maintenance services</b>	3.7%	3.9%	3.9%	4.7%	4.8%	4.3%
<b>Others</b>	1.3%	1.2%	1.0%	1.0%	0.9%	-
<b>Other information services</b>	0.0%	0.1%	0.0%	0.0%	-	0.0%

#### 4.Sales by Type of Customer(Parent-only through 99/03)



#### Sales by Type of Customer

Year ended March 31	95/03	96/03	97/03	98/03	99/03	(00/03)
<b>Net sales</b>	36,489	38,268	40,369	40,653	43,284	46,600
<b>Schools</b>	5,069	5,750	6,239	5,641	5,758	5,500
<b>Local governments</b>	7,306	7,755	7,779	8,371	9,102	9,900
<b>Nat'l government</b>	1,691	1,741	1,040	878	978	900
<b>Financial services</b>	6,798	6,933	6,852	7,254	9,486	10,500
<b>Construction</b>	5,993	5,849	5,940	5,800	5,472	6,600
<b>Services</b>	3,100	2,933	3,699	3,688	3,560	3,500
<b>Manufacturing</b>	2,547	2,696	3,196	4,386	4,945	5,000
<b>Wholesaling/retailing</b>	798	1,352	1,763	1,369	1,141	1,100
<b>Transportation/communications</b>	795	962	1,036	726	958	1,000
<b>Medical care</b>	270	269	501	383	414	1,200
<b>Others</b>	2,117	2,023	2,317	2,153	1,464	1,400

#### Change

Year ended March 31	95/03	96/03	97/03	98/03	99/03	(00/03)
<b>Net sales</b>	-	4.9%	5.5%	0.7%	6.5%	7.7%
<b>Schools</b>	-	13.4%	8.5%	-9.6%	2.1%	-4.5%
<b>Local governments</b>	-	6.1%	0.3%	7.6%	8.7%	8.8%
<b>Nat'l government</b>	-	3.0%	-40.3%	-15.6%	11.4%	-8.0%
<b>Financial services</b>	-	2.0%	-1.2%	5.9%	30.8%	10.7%
<b>Construction</b>	-	-2.4%	1.6%	-2.4%	-5.7%	20.6%
<b>Services</b>	-	-5.4%	26.1%	-0.3%	-3.5%	-1.7%
<b>Manufacturing</b>	-	5.9%	18.5%	37.2%	12.7%	1.1%
<b>Wholesaling/retailing</b>	-	69.4%	30.4%	-22.3%	-16.7%	-3.6%
<b>Transportation/communications</b>	-	21.0%	7.7%	-29.9%	32.0%	4.4%
<b>Medical care</b>	-	-0.4%	86.2%	-23.6%	8.1%	189.9%
<b>Others</b>	-	-4.4%	14.5%	-7.1%	-32.0%	-4.4%

#### Sales Composition

Year ended March 31	95/03	96/03	97/03	98/03	99/03	(00/03)
<b>Net sales</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Schools</b>	13.9%	15.0%	15.5%	13.9%	13.3%	11.8%
<b>Local governments</b>	20.0%	20.3%	19.3%	20.6%	21.0%	21.2%
<b>Nat'l government</b>	4.6%	4.5%	2.6%	2.2%	2.3%	1.9%
<b>Financial services</b>	18.6%	18.1%	17.0%	17.8%	21.9%	22.5%
<b>Construction</b>	16.4%	15.3%	14.7%	14.3%	12.6%	14.2%
<b>Services</b>	8.5%	7.7%	9.2%	9.1%	8.2%	7.5%
<b>Manufacturing</b>	7.0%	7.0%	7.9%	10.8%	11.4%	10.7%
<b>Wholesaling/retailing</b>	2.2%	3.5%	4.4%	3.4%	2.6%	2.4%
<b>Transportation/communications</b>	2.2%	2.5%	2.6%	1.8%	2.2%	2.1%
<b>Medical care</b>	0.7%	0.7%	1.2%	0.9%	1.0%	2.6%
<b>Others</b>	5.8%	5.3%	5.7%	5.3%	3.4%	3.0%

## 5. Balance Sheets(Parent-only Data)

[¥ million]

As of March 31	95/03		96/03		97/03		98/03		99/03	
	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share
<b>Assets</b>										
<b>I Current assets</b>										
1.Cash and deposits	2,410		3,371		2,084		533		881	
2.Trade notes receivable *4	419		326		440		417		353	
3.Accounts receivable	8,950		10,485		12,566		11,871		12,632	
4.Marketable securities *5	22		695		1,343		1,371		1,095	
5.Treasury stock	-		1		0		0		0	
6.Products	515		613		568		564		863	
7.Manufactured goods	18		7		40		25		23	
8.Raw materials	131		116		118		148		143	
9.Goods in process	865		891		1,486		1,788		2,556	
10.Inventories	18		20		21		21		20	
11.Advances paid	3		3		-		50		6	
12.Prepaid expenses	276		302		358		419		453	
13. Accrued taxes									121	
14.Short-term loans	-		1,345		261		280		120	
15.Other advances	222		239		447		985		565	
16.Others	62		54		16		13		29	
17.Allowance for doubtful accounts	-55		-63		-77		-76		-68	
Total current assets	13,859	69.6%	18,409	73.8%	19,678	74.4%	18,414	72.0%	19,800	72.8%
<b>II Fixed assets</b>										
<b>(I)Tangible fixed assets</b>										
1.Buildings *1	2,940		2,958		2,707		2,710		2,750,200	
Accumulated depreciation	1,809	1,131	1,919	1,039	1,588	1,118	1,698	1,012	1,635,699	1,114
2.Structures	23		23		23		23		23,768	
Accumulated depreciation	17	6	18	5	18	4	19	4	19,987	3
3.Machinery and equipment	57		57		57		57		57,623	
Accumulated depreciation	43	13	45	12	46	10	47	9	49,088	8
4. Vehicles and transportation equipment	0		0		0		0		0	
Accumulated depreciation	0	0	0	0	0	0	0	0	0	0
5.Tools and related equipment	1,693		1,530		1,484		1,284		905,384	
Accumulated depreciation	1,055	638	1,071	458	1,091	393	1,021	262	755,475	149
6.Land *1	261		261		261		261		261	
7.Construction in progress	5		104		0		-		2	
Total tangible fixed assets	2,058	10.3%	1,882	7.6%	1,790	6.7%	1,550	6.1%	1,541	5.6%

Note : Figures for March 31,1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

As of March 31	95/03		96/03		97/03		98/03		99/03	
	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share
<b>(2)Intangible fixed assets</b>										
1.Telephone deposits	64		65		65		65		66	
2.Communication rights	45		42		38		35		31	
3.Others	1		1		0		-		-	
Total intangible fixed assets	111	0.6%	108	0.4%	104	0.4%	100	0.4%	98	0.4%
<b>(3)Investments and other assets</b>										
1.Investment securities	695		933		1,084		1,051		1,515	
2.Stock in affiliated companies	297		269		447		560		589	
3.Investments in subsidiaries and affiliates	50		50		50		50		50	
4.Long-term loans to employees	45		37		36		33		30	
5.Long-term receivables past due	14		6		5		-		-	
6.Software	685		1,028		1,193		1,645		1,421	
7.Long-term prepaid expenses	224		208		232		255		191	
8. Long-term deferred taxes									49	
9.Security deposits	1,795		1,938		1,684		1,711		1,710	
10.Others	79		76		159		203		209	
11.Allowance for doubtful accounts	-14		-6		-5		0		0	
<b>Total investments and other assets</b>	<b>3,873</b>	<b>19.5%</b>	<b>4,542</b>	<b>18.2%</b>	<b>4,888</b>	<b>18.5%</b>	<b>5,511</b>	<b>21.5%</b>	<b>5,767</b>	<b>21.2%</b>
<b>Total fixed assets</b>	<b>6,042</b>	<b>30.4%</b>	<b>6,532</b>	<b>26.2%</b>	<b>6,783</b>	<b>25.6%</b>	<b>7,162</b>	<b>28.0%</b>	<b>7,407</b>	<b>27.2%</b>
<b>Total assets</b>	<b>19,902</b>	<b>100.0%</b>	<b>24,941</b>	<b>100.0%</b>	<b>26,462</b>	<b>100.0%</b>	<b>25,577</b>	<b>100.0%</b>	<b>27,208</b>	<b>100.0%</b>

Note : Figures for March 31,1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

As of March 31	95/03		96/03		97/03		98/03		99/03	
	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share
Liabilities										
<b>I Current Liabilities</b>										
	10		11		10		-		-	
1.Notes payable	5,286		6,459		8,451		6,943		7,024	
2.Accounts payable	3,047		2,425		1,929		1,431		1,837	
3.Short-term borrowings										
4.Current portion of long-term debt	211		24		24		-		-	
5.Other accounts payable	398		676		630		753		798	
6.Accrued income taxes	354		521		309		455		941	
7.Accrued enterprise tax	126		172		118		158		-	
8.Accrued consumption tax	160		179		177		330		361	
9.Advances received	594		310		312		525		675	
10.Deposits received	81		137		75		77		93	
11.Allowance for bonuses	760		767		742		791		805	
12.Others	-		-		-		-		-	
Total current liabilities	11,029	55.4%	11,685	46.9%	12,780	48.3%	11,467	44.8%	12,536	46.1%
<b>II Long-Term Liabilities</b>										
1.Long-term debt *1	-		28		4		-		-	
2.Allowance for retirement benefits	1,475		1,526		1,564		1,604		1,634	
3.Others	-		-		58		58		62	
Total fixed liabilities	1,475	7.4%	1,554	6.2%	1,626	6.1%	1,663	6.5%	1,696	6.2%
Total liabilities	12,504	62.8%	13,239	53.1%	14,407	54.4%	13,131	51.3%	14,233	52.3%

Note : Figures for March 31,1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

[¥ million]

As of March 31	95/03		96/03		97/03		98/03		99/03	
	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share	Amounts	Share
Shareholders' Equity										
<b>I Common stock</b>	1,200	6.0%	2,460	9.9%	2,460	9.3%	2,460	9.7%	2,460	9.0%
<b>II Additional paid-in capital</b>	400	2.0%	2,997	12.0%	2,997	11.4%	2,997	11.7%	2,997	11.0%
<b>III Legal reserve</b>	71	0.4%	85	0.3%	110	0.4%	130	0.5%	156	0.6%
<b>IV Retained earnings</b>										
<b>(1) Voluntary reserves</b>										
1.Reserve for retirement benefits	260		280		300		320		350	
2.Reserve for dividends	330		360		390		420		450	
3.Reserve for computer programs	377		545		782		1,109		826	
4.Other reserves	3,880	4,847	4,000	5,185	4,120	5,592	4,200	6,049	4,230	5,856
<b>(2)Unappropriated earnings at end of period</b>	878		973		893		808		1,504	
<b>Total retained earnings</b>	5,725	28.8%	6,158	24.7%	6,486	24.5%	6,858	26.8%	7,360	27.1%
<b>Total shareholders' equity</b>	7,397	37.2%	11,701	46.9%	12,054	45.6%	12,446	48.7%	12,974	47.7%
<b>Liabilities and shareholders' equity</b>	19,902	100.0%	24,941	100.0%	26,462	100.0%	25,577	100.0%	27,208	100.0%

Note : Figures for March 31,1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

## 6. Statements of Income(Parent-only Data)

[¥ million]

For the years ended March 31	95/03			96/03			97/03			98/03			99/03		
	Amounts	Share		Amounts	Share		Amounts	Share		Amounts	Share		Amounts	Share	
<b>I Total sales</b>															
1.Information services	23,376			23,391			23,402			24,758			27,533		
2.Products	13,112	36,489	100.0%	14,876	38,268	100.0%	16,967	40,369	100.0%	15,894	40,653	100.0%	15,750	43,284	100.0%
<b>II Cost of sales</b>															
1.Information services	17,032			16,676			16,494			17,850			20,256		
2.Products	10,510	27,542	75.5%	12,132	28,808	75.3%	14,148	30,642	75.9%	13,152	31,002	76.3%	12,957	33,214	76.7%
<b>Gross profit</b>		8,946	24.5%		9,460	24.7%		9,726	24.1%		9,650	23.7%		10,069	23.3%
<b>III SGA expenses</b>															
1.Shipping expenses	296			278			308			287			291		
2.Advertising expenses	156			128			141			147			145		
3.Addition to reserve for doubtful accounts	10			9			15			1			-		
4.Bonuses for directors	198			193			193			234			258		
5.Salaries and benefits	3,595			3,985			4,044			4,071			4,106		
6.Addition to reserve for bonuses	328			335			334			346			348		
7.Addition to reserve for retirement benefits	84			76			98			81			83		
8.Health insurance and other benefits	565			592			607			636			656		
9.Travel,transportation and communications expenses	268			331			334			342			366		
10.Enterprise tax	174			169			116			157			58		
11.Rental expenses	725			714			685			674			688		
12.Depreciation	80			60			71			52			43		
13.Training expenses	92			84			100			102			99		
14.Office computer expenses	287			392			441			398			422		
15.Others	931	7,797	21.4%	765	8,118	21.2%	791	8,285	20.5%	862	8,396	20.6%	717	8,288	19.2%
<b>Operating income</b>		1,148	3.1%		1,341	3.5%		1,440	3.6%		1,254	3.1%		1,781	4.1%

Note: Figures for March 31, 1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

[¥ million]

For the years ended March 31	95/03			96/03			97/03			98/03			99/03		
	Amounts	Share		Amounts	Share		Amounts	Share		Amounts	Share		Amounts	Share	
<b>IV Other income</b>															
1.Interest received *1	52			27			24			13			4		
2.Interest received on securities	4			3			20			36			23		
3.Dividends received	11			17			20			25			23		
4.Gains on sales of securities	-			0			1			-			8		
5.Rental income from employee housing and others	62			43			-			-			-		
6.Insurance payments received	34			-			28			32			17		
7.Sales promotion fees received	-			19			-			-			-		
8.Refund of overseas technical delegation expenses	-			-			13			13			8		
9.Other income	44	210	0.6%	35	147	0.4%	25	134	0.3%	30	152	0.4%	37	123	0.3%
<b>V Other expenses</b>															
1.Interest expenses	117			69			43			37			41		
2.Losses on sales of securities	-			0			-			1			-		
3.Losses on revaluation of securities	-			-			4			13			3		
4.Cost of issuing stock	-			176			-			-			-		
5.Cost of listing shares	-			51			-			-			-		
6.Other expenses	0	117	0.3%	2	300	0.8%	2	50	0.1%	6	58	0.2%	1	46	0.1%
<b>Current income</b>		1,241	3.4%		1,188	3.1%		1,524	3.8%		1,347	3.3%		1,858	4.3%
<b>VI Extraordinary income</b>															
1.Reversal of allowance for doubtful accounts	-			-			-			-			4		
2.Gains on sales of investment securities	-	-		49	49	0.1%	18	18	0.0%	-	-	0.0%	74	78	0.2%
<b>VII Extraordinary losses</b>															
1.Loss on sale and disposal of fixed assets *2	31			-			-			-			-		
2.Loss on disposal of fixed assets*3	-			15			151			17			153		
3.Loss on sale of fixed assets *4	-			0			-			19			-		
4.Obligations for past service cost	96			103			107			103			143		
5.Losses on devaluation of investment securities	51			0			72			134			63		
6.Losses on termination of office leases and others	-			-			287			-			-		
7.Others	-	179	0.5%	13	132	0.3%	-	619	1.5%	0	274	0.7%	-	359	0.9%
<b>Income before taxes</b>		1,061	2.9%		1,105	2.9%		923	2.3%		1,073	2.6%		1,576	3.6%
Income taxes		535	1.5%		521	1.4%		327	0.8%		473	1.1%		963	2.2%
Tax adjustments		-			-			-			-			-137	-0.3%
<b>Net income</b>		526	1.4%		584	1.5%		596	1.5%		600	1.5%		750	1.7%
Unappropriated earnings brought forward		351			388			371			318			251	
<b>Interim dividends</b>															
Addition to legal reserve at end of period		-			-		67			99			119		
Adjustment for application of tax-effect accounting		-			-		6			9			11		
Reversal of program reserves due to application of tax-effect accounting		-			-		-			-			33		
Unappropriated earnings		878			973			893			808			1,504	

Note: Figures for March 31, 1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

## 7 . Statements of Retained Earnings(Parent-only Data)

[¥ million]

	June 28,1995		June 27,1996		June 27,1997		June 26,1998		June 25,1999	
	Amounts		Amounts		Amounts		Amounts		Amounts	
Unappropriated earnings brought forward		878		973		893		808		1,504
Reversal of voluntary reserve										
1.Reversal of reserve for computer programs	62	62	71	71	64	64	45	45	28	28
Total		940		1,044		958		853		1,532
<b>Appropriations</b>										
1.Legal reserve	13		17		10		13		15	
2.Reserve for dividends	98		135		67		99		119	
3.Bonuses for directors (for corporate auditors)	40		40		40		36		36	
	(3)		(3)		(4)		(4)		(4)	
4.Voluntary reserves										
(1)Reserve for retirement benefits	20		20		20		30		30	
(2)Reserve for dividends	30		30		30		30		30	
(3)Reserve for computer programs	229		308		391		362		146	
(4)Other reserves	120	551	120	672	80	640	30	601	700	1,077
<b>Unappropriated earnings at end of period</b>		<b>388</b>		<b>371</b>		<b>318</b>		<b>251</b>		<b>454</b>

Note: Figures for March 31, 1999 are being audited. Divisions among individual items, names of items and other elements may be revised.

## 8. Five-Year Summary(Parent-only Data)

Years ended March 31		95/03	96/03	97/03	98/03	99/03
Net sales	(millions of yen)	36,489	38,268	40,369	40,653	43,284
Current income	(millions of yen)	1,241	1,188	1,524	1,347	1,858
Net income	(millions of yen)	526	584	596	600	750
Capital	(millions of yen)	1,200	2,460	2,460	2,460	2,460
Shares outstanding		1,400,000	16,000,000	16,000,000	20,000,000	20,000,000
Shareholders' equity	(millions of yen)	7,397	11,701	12,054	12,446	12,974
Total assets	(millions of yen)	19,902	24,941	26,462	25,577	27,208
Equity/Assets	(%)	37.20	46.90	45.60	48.70	47.7
Equity per share	(yen)	5,284.06	731.36	753.42	622.34	648.72
Dividends per share	(yen)	70.00	8.50	8.50	10.00	12.00
(interim dividends)	(yen)	-	-	4.25	5.00	6.00
Net income per share	(yen)	376.00	40.75	37.30	30.00	37.51
Dividend payout ratio	(%)	18.61	23.27	22.78	33.33	32.00
Return on equity	(%)	7.31	6.12	5.03	4.90	5.90
Return on assets	(%)	2.63	2.61	2.32	2.31	2.84
Net cash flows	(millions of yen)	1,183.00	1,360.00	1,445.00	1,581.00	1,826.00
Orders	(millions of yen)	22,554	23,723	22,781	30,452	25,712
Capital expenditure	(millions of yen)	492	142	373	18	263
Depreciation	(millions of yen)	656	776	848	981	1,076
R&D expenses	(millions of yen)	124	125	117	99	105
Employees		1,423	1,429	1,401	1,416	1,510

### Notes:

1. Net sales does not include consumption tax.
2. Per share figures are calculated on the basis of a 500 yen par value per share for the four years ended March 31, 1995. Figures for the year ended reflect a change to a par value of 50 yen per share, and simultaneous 10-to-1 stock split. Additionally, the company sold 2,000,000 shares of common stock through a public offering on February 2, 1996.
3. On May 20, 1997, the company conducted a 1.25:1 stock split.
4. Orders represent future information services sales excluding merchandise sales.
5. Net cash flows are the sum of net income and depreciation.