

Summary of Consolidated Financial Results
for the Second Quarter of Fiscal Year Ending March 31, 2015
(Six Months Ended September 30, 2014)

[Japanese GAAP]

Company name:	Japan System Techniques Co., Ltd.	Listing:	Tokyo Stock Exchange, Second Section
Stock code:	4323	URL:	http://www.jast.jp
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Scheduled date of filing of Quarterly Report:			November 10, 2014
Scheduled date of payment of dividend:			-
Preparation of supplementary materials for quarterly financial results:	Yes		
Holding of quarterly financial results meeting:	Yes (for analysts)		

Note: The original disclosure in Japanese was released on November 7, 2014 at 16:00 (GMT +9).

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Second Quarter Ended September 30, 2014 (April 1, 2014 – September 30, 2014)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30, 2014	5,424	8.3	78	-	114	440.6	60	-
Six months ended Sep. 30, 2013	5,007	6.7	(13)	-	21	(31.5)	(14)	-

Note: Comprehensive income (million yen) Six months ended Sep. 30, 2014: 44 (up 180.2%)
Six months ended Sep. 30, 2013: 15 (n.a.)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2014	11.51	-
Six months ended Sep. 30, 2013	(3.08)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Sep. 30, 2014	8,617	5,163	59.1	971.08
As of Mar. 31, 2014	8,817	5,066	56.6	954.53

Reference: Shareholders' equity (million yen) As of Sep. 30, 2014: 5,096 As of Mar. 31, 2014: 4,992

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2014	-	0.00	-	25.00	25.00
Fiscal year ending Mar. 31, 2015	-	0.00	-	-	-
Fiscal year ending Mar. 31, 2015 (forecasts)	-	-	-	25.00	25.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	11,900	9.9	525	22.8	555	17.1	290	4.0	55.26

Note: Revisions to the most recently announced consolidated earnings forecasts: None

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: -

Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of shares outstanding at the end of period (including treasury shares)

As of Sep. 30, 2014:	5,612,230 shares	As of Mar. 31, 2014:	5,594,230 shares
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2) Number of treasury shares at the end of period

As of Sep. 30, 2014:	364,210 shares	As of Mar. 31, 2014:	364,210 shares
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3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2014:	5,247,488 shares	Six months ended Sep. 30, 2013:	4,774,834 shares
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Note 1: Information regarding the implementation of quarterly review procedures

The current quarterly summary report is exempted from quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, the review procedures for the quarterly financial statements have been completed.

Note 2: Cautionary statement with respect to forward-looking statements

Forecasts of future performance in these materials are based on assumption judged to be valid and information available to the Company's management at the time the materials were prepared, but are not promises by the Company regarding future performance. Actual results may differ materially from the forecasts. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecasts and Other Forward-looking Statements" on page 3 for forecast assumptions and notes of caution for usage.

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

In the first half of the current fiscal year, consolidated results of the Japan System Techniques Group (Japan System Techniques Co., Ltd. and its consolidated subsidiaries, hereafter “the Group”) showed higher sales and profits as follows: net sales of 5,424 million yen (up 8.3% from the same period of the previous fiscal year), operating income of 78 million yen (vs. operating loss of 13 million yen in the same period of the previous fiscal year), ordinary income of 114 million yen (up 440.6% from the same period of the previous fiscal year), and net income of 60 million yen (vs. net loss of 14 million yen in the same period of the previous fiscal year). Results by segment were as follows.

In the software business (individualized contracted software development), net sales and profits increased. Orders from medical institutions, the public sector and manufacturing industries declined, but increased from the service/retail industry, the finance/insurance/brokerage industry, and the telecommunications industry. Net sales totaled 3,875 million yen (up 20.3% from the same period of the previous fiscal year) and operating income totaled 143 million yen (up 444.6% from the same period of the previous fiscal year).

In the package business (development, sale and related services of operational reform packages for schools), net sales and profits also increased. Operation services and implementation support decreased, but end user computing (EUC: contracted development of package-related systems) and IT equipment sales increased. Net sales totaled 978 million yen (up 30.1% from the same period of the previous fiscal year) and operating income totaled 50 million yen (up 514.5% from the same period of the previous fiscal year).

In the system sales business (IT equipment sales and IT/telecom infrastructure construction), net sales and profits decreased. Orders from system integration (SI) projects for public sectors, and equipment sales to universities declined. As a result, net sales totaled 415 million yen (down 55.5% from the same period of the previous fiscal year), and operating loss totaled 39 million yen (vs. operating income of 40 million yen in the same period of the previous fiscal year).

Lastly, in the medical big data business (inspection, analysis and related services of medical information), net sales totaled 155 million yen (up 50.9% from the same period of the previous fiscal year), and operating loss totaled 76 million yen (vs. operating loss of 88 million yen in the same period of the previous fiscal year). This was due to the expansion of notification and data analysis services, and cloud services for checking service providers in addition to automated inspection services for health insurance claims.

Features of the Group’s quarterly results

A feature of the Group’s software, package and systems sales businesses is that the delivery inspection period of most customers concentrates in March, the last month of the fiscal year for most companies, and then in September, the last month of the second quarter. This means that the Group’s earnings in the first and third quarters tend to be much smaller than in the second and fourth quarters.

(2) Explanation of Financial Position

1) Balance sheet position

The balance of current assets at the end of the first half of the current fiscal year was 6,363 million yen, down 199 million yen from the end of the previous fiscal year. This was mainly due to an increase in work in process and a decrease in cash and deposits. The balance of non-current assets was 2,253 million yen at the end of the first half, down 0 million yen from the end of the previous fiscal year. This was mainly due to an increase in net defined benefit asset and a decrease in deferred tax assets.

The balance of current liabilities at the end of the first half was 2,302 million yen, down 62 million yen from the end of the previous fiscal year. This was mainly due to an increase in short-term loans payable, and decreases due to payments for income taxes paid and notes and accounts payable-trade. The balance of non-current liabilities was 1,151 million yen at the end of the first half, down 235 million yen from the end of the previous fiscal year. This was mainly due to

decreases in net defined benefit liability and provision for directors' retirement benefits following the retirement of directors.

The balance of net assets was 5,163 million yen at the end of the first half, up 97 million yen from the end of the previous fiscal year. This was mainly due to an increase in retained earnings.

2) Cash flows

Cash and cash equivalents decreased 388 million yen from 2,144 million yen at the start of the current fiscal year to 1,755 million yen at the end of the first half of the current fiscal year.

Cash flows by category were as follows.

Cash flows used in operating activities totaled 618 million yen, a decrease of 757 million yen from 139 million yen provided in the same period of the previous fiscal year. This was mainly due to a decrease in income from notes and accounts receivable-trade, and an increase in outlays for inventories, while there was an increase in income before income taxes and minority interests, and a decrease in outlays for notes and accounts payable-trade.

Cash flows used in investing activities totaled 72 million yen, a decrease of 45 million yen from 26 million yen used in the same period of the previous fiscal year. This was mainly due to a decrease in income from collection of guarantee deposits, while there was a decrease in outlays for the purchase of investment securities.

Cash flows provided by financing activities totaled 304 million yen, an increase of 157 million yen from 147 million yen provided in the same period of the previous fiscal year. This was mainly due to an increase in short-term loans.

(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements

In the first half of the current fiscal year, the Japanese economy remained on a gradual recovery path. However, a risk of economic stagnation or a downturn remains because of the prolonged falling demand following the April 2014 consumption tax hike and weakness in global economies.

In the IT industry in Japan, according to latest statistics in "Survey of Selected Service Industries" by the Ministry of Economy, Trade and Industry (the final August figures), net sales began to rise on a year-on-year basis from October 2011 after declining for many years. Since then, net sales have continued to climb as the IT industry as a whole stages a recovery. However, the recovery is still weak.

The Group will be guided by the fiscal year's slogan of "act with thought and speed." Everyone at the Group has a strong commitment to adapt swiftly to changes involving clients, technologies and markets. The objective is to achieve consistent growth in association with the shift from the previous business model centered on contracted development activities. The Group is establishing a business model in which we take our own initiatives with a central focus on proprietary brand products.

Structural reforms have established a framework where executive officers oversee each business unit and where the newly established Management Planning Department oversees implementation of group business strategies. In addition, a global management executive has been appointed to take the lead in the full-scale expansion of activity by the Group companies and the start of operations in China and other countries. Strategies in each business unit are as follows.

In the software business, a regional-based business structure has been established with the head offices in Tokyo and Osaka. There are three business divisions in the Tokyo head office: the division of contracted development operations that has been reorganized into three units, each specializing in a particular field; the convergence business division which is an independent division as in the previous fiscal year; and the sales division. At the Osaka head office, operations have been realigned into three business divisions, each specializing in a particular field. To build new profit centers, the BankNeo business has become a separate business division of the financial-related business and has been realigned into two business divisions with the Financial Business Department, which consists of three regional-based departments. The aim of this reorganization is to support consistent growth in earnings.

In the package business, the Group established business divisions in the greater Kanto and greater Kansai to localize operations and firmly expand its market share in each region. Also, the Group plans to develop next-generation

mainstay products, enter the education market and grow faster in China. Furthermore, we will continue to work on making the school operations reform package GAKUEN the dominant brand in the education market in Japan and other countries.

In the system sales business, the Group will focus on expanding business from core clients and acquiring new clients in high-margin SE services, and new solutions utilizing security technology to build a new business platform and maintain earnings expansion.

Lastly, in the medical big data business, the Group will work to expand cloud services for claims checking service providers, and also strengthen the sales and service organizations in the Tokyo and Osaka regions in order to capture more orders and improve productivity.

Based on the above, we expect increases in sales and profits for the fiscal year ending March 31, 2015; net sales of 11,900 million yen (up 9.9% from the previous fiscal year), operating income of 525 million yen (up 22.8% from the previous fiscal year), ordinary income of 555 million yen (up 17.1% from the previous fiscal year), and net income of 290 million yen (up 4.0% from the previous fiscal year).

2. Matters Related to Summary Information (Notes)

(1) Changes in Consolidated Subsidiaries during the Period

Not applicable.

(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements

Not applicable.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements

Changes in Accounting Policies

Application of the accounting standard for retirement benefits

The Company has applied the “Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012)” and the “Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012)” from the first quarter of the current fiscal year, for provisions set forth in the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits. Accordingly, the Company reviewed the methods for calculating retirement benefit obligations and service costs, and revised the method of attributing estimated retirement benefit obligations to periods from the straight-line basis to the benefit formula basis, and revised the method of determining the discount rate from the method using the approximate number of years of expected average length of the remaining service period of employees to the method using a single weighted average discount rate.

For the application of these accounting standards, etc. in accordance with the transitional accounting treatments set forth in Paragraph 37 of the Accounting Standard for Retirement Benefits, the adjustments associated with the change in calculation methods of retirement benefit obligations and service costs are recorded in retained earnings at the beginning of the first half of the current fiscal year.

The result was decreases of 97,473 thousand yen in deferred tax assets and 169,824 thousand yen in net defined benefit liability, and increases of 103,978 thousand yen in net defined benefit asset and 176,328 thousand yen in retained earnings at the beginning of the first half of the current fiscal year.

The effect of this change was to increase operating income, ordinary income and income before income taxes and minority interests by 2,940 thousand yen each in the first half of the current fiscal year.

3. Important Information about Going Concern Assumption

Not applicable.

4. Quarterly Consolidated Financial Statements**(1) Quarterly Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/14 (As of Mar. 31, 2014)	Second quarter of FY3/15 (As of Sep. 30, 2014)
Assets		
Current assets		
Cash and deposits	3,319,585	2,935,776
Notes and accounts receivable-trade	2,607,749	2,668,089
Merchandise and finished goods	97,394	122,470
Work in process	167,776	242,959
Raw materials and supplies	2,347	4,290
Deferred tax assets	259,362	254,260
Other	112,940	139,158
Allowance for doubtful accounts	(3,863)	(3,149)
Total current assets	6,563,292	6,363,856
Non-current assets		
Property, plant and equipment		
Buildings and structures	551,886	565,112
Accumulated depreciation	(270,155)	(289,906)
Buildings and structures, net	281,730	275,206
Land	142,361	142,361
Other	252,174	256,248
Accumulated depreciation	(171,771)	(181,903)
Other, net	80,402	74,344
Total property, plant and equipment	504,495	491,912
Intangible assets		
Goodwill	27,023	22,865
Software	96,422	88,478
Other	7,189	7,189
Total intangible assets	130,635	118,533
Investments and other assets		
Investment securities	362,629	361,223
Net defined benefit asset	257,001	368,321
Deferred tax assets	234,645	105,573
Guarantee deposits	299,440	342,446
Other	519,352	519,514
Allowance for doubtful accounts	(54,288)	(54,288)
Total investments and other assets	1,618,782	1,642,791
Total non-current assets	2,253,912	2,253,238
Total assets	8,817,204	8,617,094

	(Thousands of yen)	
	FY3/14 (As of Mar. 31, 2014)	Second quarter of FY3/15 (As of Sep. 30, 2014)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	906,653	694,738
Short-term loans payable	-	428,947
Current portion of long-term loans payable	2,400	2,400
Income taxes payable	293,658	21,287
Provision for bonuses	531,526	428,406
Provision for directors' bonuses	28,477	12,003
Other	601,663	714,376
Total current liabilities	2,364,379	2,302,160
Non-current liabilities		
Long-term loans payable	1,800	600
Provision for directors' retirement benefits	422,029	339,431
Net defined benefit liability	903,730	746,941
Other	58,856	64,148
Total non-current liabilities	1,386,415	1,151,121
Total liabilities	3,750,795	3,453,281
Net assets		
Shareholders' equity		
Capital stock	1,071,446	1,076,669
Capital surplus	1,033,084	1,038,308
Retained earnings	3,025,811	3,131,770
Treasury shares	(266,539)	(266,539)
Total shareholders' equity	4,863,803	4,980,209
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52,191	50,466
Foreign currency translation adjustment	(14,936)	(16,202)
Remeasurements of defined benefit plans	91,150	81,762
Total accumulated other comprehensive income	128,405	116,026
Subscription rights to shares	514	-
Minority interests	73,686	67,577
Total net assets	5,066,409	5,163,813
Total liabilities and net assets	8,817,204	8,617,094

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income
(For the Six-month Period)**

	(Thousands of yen)	
	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)	First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)
Net sales	5,007,143	5,424,082
Cost of sales	4,137,175	4,371,897
Gross profit	869,967	1,052,184
Selling, general and administrative expenses	883,930	973,245
Operating income (loss)	(13,962)	78,939
Non-operating income		
Interest income	4,862	5,623
Dividend income	1,563	3,203
Rent income	7,684	7,776
Subsidy income	19,437	15,576
Other	7,566	11,133
Total non-operating income	41,114	43,312
Non-operating expenses		
Interest expenses	818	517
Rent expenses	4,077	5,856
Other	1,077	1,388
Total non-operating expenses	5,974	7,762
Ordinary income	21,177	114,489
Income before income taxes and minority interests	21,177	114,489
Income taxes	36,039	54,746
Income (loss) before minority interests	(14,861)	59,743
Minority interests in loss	(154)	(637)
Net income (loss)	(14,707)	60,381

Quarterly Consolidated Statement of Comprehensive Income
(For the Six-month Period)

(Thousands of yen)

	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)	First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)
Income (loss) before minority interests	(14,861)	59,743
Other comprehensive income		
Valuation difference on available-for-sale securities	22,379	(1,725)
Foreign currency translation adjustment	8,429	(3,942)
Remeasurements of defined benefit plans, net of tax	-	(9,388)
Total other comprehensive income	30,809	(15,056)
Comprehensive income	15,947	44,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,168	48,001
Comprehensive income attributable to minority interests	5,778	(3,314)

(3) Quarterly Consolidated Statement of Cash Flows

(Thousands of yen)

	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)	First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)
Cash flows from operating activities		
Income before income taxes and minority interests	21,177	114,489
Depreciation	36,050	35,575
Amortization of software	5,550	12,361
Amortization of goodwill	4,157	4,157
Increase (decrease) in provision for bonuses	(32,908)	(103,104)
Increase (decrease) in provision for retirement benefits	(1,651)	-
Decrease (increase) in prepaid pension costs	(7,854)	-
Increase (decrease) in net defined benefit liability	-	13,290
Decrease (increase) in net defined benefit asset	-	(7,341)
Interest and dividend income	(6,426)	(8,826)
Interest expenses	818	517
Decrease (increase) in notes and accounts receivable-trade	597,816	(61,527)
Increase (decrease) in advances received	170,626	220,425
Decrease (increase) in inventories	137,729	(104,747)
Increase (decrease) in notes and accounts payable-trade	(479,641)	(211,890)
Other, net	(167,416)	(248,095)
Subtotal	278,027	(344,715)
Interest and dividend income received	6,205	8,687
Interest expenses paid	(914)	(574)
Income taxes paid	(143,791)	(281,671)
Net cash provided by (used in) operating activities	139,527	(618,274)
Cash flows from investing activities		
Decrease (increase) in time deposits	(6,748)	(6,587)
Purchase of property, plant and equipment	(10,644)	(15,465)
Purchase of software	(24,558)	(4,417)
Purchase of investment securities	(101,030)	(1,272)
Proceeds from cancellation of insurance funds	8,642	-
Payments for guarantee deposits	(509)	(45,630)
Proceeds from collection of guarantee deposits	108,079	1,606
Other, net	(135)	(1,077)
Net cash provided by (used in) investing activities	(26,905)	(72,844)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	248,831	428,947
Repayments of long-term loans payable	(1,200)	(1,200)
Proceeds from issuance of common shares	20,248	9,932
Purchase of treasury shares	(44)	-
Cash dividends paid	(119,104)	(130,750)
Cash dividends paid to minority shareholders	(1,283)	(2,435)
Other, net	(120)	(134)
Net cash provided by (used in) financing activities	147,327	304,359
Effect of exchange rate change on cash and cash equivalents	3,004	(1,807)
Net increase (decrease) in cash and cash equivalents	262,953	(388,566)
Cash and cash equivalents at beginning of period	1,609,962	2,144,070
Cash and cash equivalents at end of period	1,872,916	1,755,504

(4) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

Segment information

I. First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)

1. Information related to net sales and profit or loss for each reportable segment (Thousands of yen)

	Software business	Package business	System sales business	Medical big data business	Total	Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
Net sales							
1. External sales	3,219,944	752,046	931,845	103,307	5,007,143	-	5,007,143
2. Inter-segment sales and transfers	5,308	-	20,714	-	26,022	(26,022)	-
Total	3,225,252	752,046	952,559	103,307	5,033,166	(26,022)	5,007,143
Segment profit (loss)	26,424	8,268	40,028	(88,683)	(13,962)	-	(13,962)

Notes: 1. There is no adjustment to segment profit or loss because all of the operating expenses are allocated to each reportable segment.

2. Segment loss is consistent with operating loss shown on the quarterly consolidated statement of income.

2. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Not applicable.

II. First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)

1. Information related to net sales and profit or loss for each reportable segment (Thousands of yen)

	Software business	Package business	System sales business	Medical big data business	Total	Adjustment (Note 1)	Amounts shown on quarterly consolidated statement of income (Note 2)
Net sales							
1. External sales	3,875,016	978,152	415,066	155,846	5,424,082	-	5,424,082
2. Inter-segment sales and transfers	30,230	-	56,533	-	86,763	(86,763)	-
Total	3,905,246	978,152	471,599	155,846	5,510,845	(86,763)	5,424,082
Segment profit (loss)	143,914	50,805	(39,364)	(76,416)	78,939	-	78,939

Notes: 1. There is no adjustment to segment profit or loss because all of the operating expenses are allocated to each reportable segment.

2. Segment profit is consistent with operating income shown on the quarterly consolidated statement of income.

2. Information related to impairment losses on non-current assets, goodwill, etc. for each reportable segment

Not applicable.

3. Information related to revisions for reportable segments

Application of the accounting standard for retirement benefits

The Company has applied the "Accounting Standard for Retirement Benefits (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012)" and the "Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012)" from the first quarter of the current fiscal year, for provisions set forth in the main clauses of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits. Accordingly, the Company reviewed the methods for calculating retirement benefit obligations and service costs, and revised the method of attributing estimated retirement benefit obligations to periods from the straight-line basis to the benefit formula basis, and revised the method of determining the discount rate from the method using the approximate number of years of expected average length of remaining service period of employees to the method using a single weighted average discount rate. The effect of this change on segment profit is insignificant.

5. Supplementary Information

Goods Manufactured, Orders Received and Sales

(1) Goods Manufactured

Goods manufactured in the period under review are broken down by segment as follows. (Thousands of yen)

Operating segment	First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)	Year-on-year (%)
Software business	3,238,124	121.6
Package business	585,416	106.2
System sales business	380,074	48.4
Medical big data business	168,281	122.5
Total	4,371,897	105.7

Notes: 1. The above amounts are based on cost of sales; inter-segment transactions have been eliminated.
2. The above amounts do not include consumption taxes.

(2) Orders Received

Orders received in the period under review are broken down by segment as follows. (Thousands of yen)

Operating segment	Orders received	Year-on-year (%)	Order backlog	Year-on-year (%)
Software business	4,055,953	120.4	1,227,795	82.4
Package business	1,322,362	158.3	742,821	149.8
System sales business	533,289	55.2	273,125	157.6
Medical big data business	110,613	159.6	157,561	65.5
Total	6,022,218	115.0	2,401,302	100.1

Notes: 1. The above amounts are based on selling prices; inter-segment transactions have been eliminated.
2. The above amounts do not include consumption taxes.

(3) Sales

Sales in the period under review are broken down by segment as follows. (Thousands of yen)

Operating segment	First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)	Year-on-year (%)
Software business	3,875,016	120.3
Package business	978,152	130.1
System sales business	415,066	44.5
Medical big data business	155,846	150.9
Total	5,424,082	108.3

Notes: 1. Inter-segment transactions have been eliminated.
2. The following table indicates sales amounts to major customers and their ratios to total sales amount. (Thousands of yen)

Customers	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)		First six months of FY3/15 (Apr. 1, 2014 – Sep. 30, 2014)	
	Amount	%	Amount	%
NTT COMWARE CORPORATION (Note 4)	338,115	6.8	526,127	9.7
DUSKIN CO., LTD.	311,693	6.2	325,693	6.0
TIS Inc.	220,510	4.4	259,925	4.8

3. The above amounts do not include consumption taxes.
4. On July 1, 2014, NTT COMWARE CORPORATION merged its five regional group companies including NTT COMWARE WEST CORPORATION. Accordingly, total sales amount of NTT COMWARE CORPORATION includes results of NTT COMWARE WEST CORPORATION.

This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.