Summary of Q&A on FY2014 Financial Results

<FY15 forecast>
Q In which regions and industries do you expect to see orders go up in FY15?
A North America, Middle East and South East of Asia. While we cannot disclose details about specific projects, I can tell you that we do not expect many large project orders in FY15.

Q You are forecasting a 2 billion yen decrease in the gross profit margin in FY15. What is the reason for this?
A This is because of macroeconomic risk factors such as the oil price decrease.

Q Why was the reduction of fixed costs lower than planned?
A Labor costs were reduced by over 5 billion yen, but this was offset by outsourcing costs and the hiring of temporary staff.

<Mid-term plan>
Q What are the most important KPIs for your president?
A ROIC, ROA, and ROE. We will seek through the introduction of ROIC management to achieve an ROA of 6% or more. And by expanding our business and reducing costs, we aim to achieve an ROE of 11% or higher.

Q Could you please explain in more detail the 50 billion yen in strategic investments that you will be making between now and 2017?
A We will mainly be seeking to expand our range of solutions for target industries.

Q What are your plans for market share and sales?
A We do not anticipate a significant change in our market share over the next three years. As for growth in sales, we expect to slightly outperform the market growth rate. Our focus under TF2017 will be on establishing a foundation for growth by transforming our business structure.

Q What do you think is going to happen with the oil price?
A It has bottomed and will begin to make a quick recovery, but we are not optimistic that this can be sustained. But even if the price recovery falls below expectations, we do not believe that this will have a large impact on our operations.

Note: The above projections are based on the information that was available to us on May 12, 2015.