

CYBERNET SYSTEMS CO., LTD.

Results of Operations for the Third Quarter of FY2016

2 November, 2016

CYBERNET SYSTEMS CO., LTD.



Code for periods

15.12/3Q	Third quarter of the fiscal year ended December 31, 2015
15.12/3Q (cumulative)	First three quarters of the fiscal year ended December 31, 2015
15.12	Fiscal year ended December 31, 2015
16.12/3Q	Third quarter of the fiscal year ending December 31, 2016
16.12/3Q (cumulative)	First three quarters of the fiscal year ending December 31, 2016
16.12E	Estimates for the fiscal year ending December 31, 2016

◆ Business Summary of Financial Results for the First Three Quarters of the Fiscal Year Ending December 3, 2016

[Consolidated] Business Summary	5
[Consolidated] Changes in Operating Income (YoY comparison)	6
[Consolidated] Changes in Operating Income (Against Plan)	7
[Consolidated] Balance Sheet	8
[Consolidated] Cash Flow Statement	9
[Consolidated] Quarterly Net Sales	10
[Consolidated] Overview of Results by Segment	11
[Consolidated] Changes in Net Sales by Business (YoY comparison)	12
[Consolidated] Sales Breakdown by Business	13
[Consolidated] Changes in Operating Income by Business (YoY comparison)	14
[Non-consolidated] Business Summary by Segment	15
[Non-consolidated] Net Sales by Application Area	17
[Non-consolidated] Net Sales by Category of Industry	19
[Non-consolidated] Net Sales by Contract	21
[Consolidated] Performance at Overseas Subsidiaries	22

◆ Projection for FY2016

[Consolidated] Projection for Current Fiscal Year	25
[Consolidated] Dividend Estimate for Current Fiscal Year	26
Medium-Term Business Plan 2015 to 2020	27
Example of Using Our Technologies in Automotive Development	28
Our AR Solution	29

◆ Reference Materials

Including Non-consolidated Performance and Projection

Business Summary of Financial Results for the First Three Quarters of the Fiscal Year Ending December 31, 2016

[Consolidated] Business Summary

CYBERNET SYSTEMS CO.,LTD.

Million yen

	16.12/3Q (cumulative) Results	15.12/3Q (cumulative) Results	YoY Change Amount	YoY Change %	16.12/3Q (cumulative) Plan	Change Amount from Plan	Change % from Plan
Net sales	12,333	11,792	+ 541	104.6%	12,549	(215)	98.3%
Operating income	917	600	+ 317	152.9%	614	+ 303	149.5%
Operating income margin	7.4%	5.1%	+ 2.3P		4.9%	+ 2.5P	
Ordinary income	923	706	+ 217	130.8%	688	+ 235	134.3%
Ordinary income margin	7.5%	6.0%	+ 1.5P		5.5%	+ 2.0P	
Profit attributable to owners of parent	479	264	+ 214	181.2%	301	+ 178	159.2%
Profit attributable to owners of parent margin	3.9%	2.2%	+ 1.7P		2.4%	+ 1.5P	
Before amortization of goodwill Operating income	1,167	886	+ 281	131.7%	896	+ 271	130.2%
Before amortization of goodwill Operating income margin	9.5%	7.5%	+ 2.0P		7.1%	+ 2.4P	

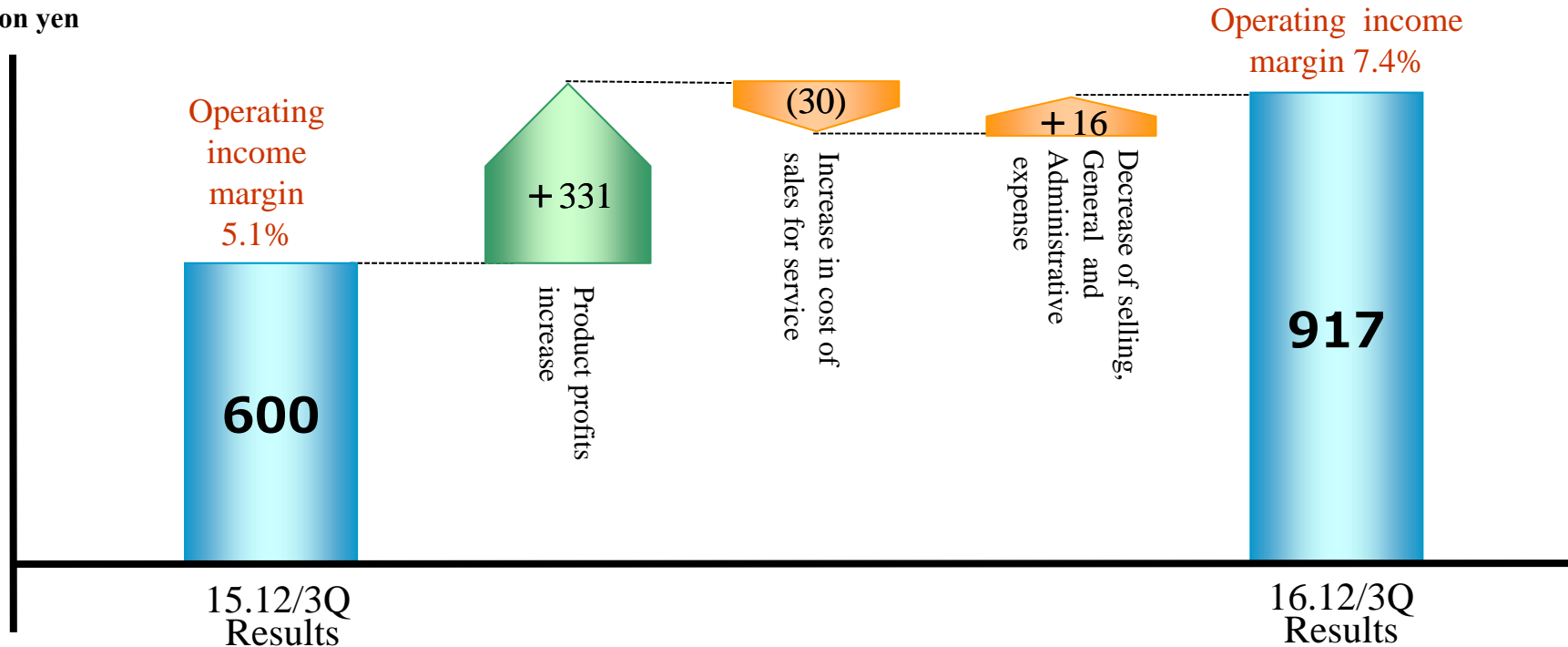
*P: Point

* Net income has been renamed to profit attributable to owners of parent.

[Consolidated] Changes in Operating Income (YoY comparison)

CYBERNET SYSTEMS CO.,LTD.

Million yen



Main Causes of Year-on-Year Changes

○ Main causes of product profit changes

Decrease due to the impact of foreign currency translation -305 million yen/ increase due to net sales increase +610 million yen.

Domestic sales increase: multiphysics analysis tools/ optical design field/ model-based development engineering services/ security-related solutions.

Overseas sales increase: development subsidiaries in Canada/ sales subsidiaries in Taiwan.

○ Main causes of cost of sales for service and selling, general and administrative expenses changes

Cost decrease due to the impact of foreign currency translation -330 million yen.

Personnel expenses increase due to the expansion of employment +301 million yen.

○ Main causes of operating income changes

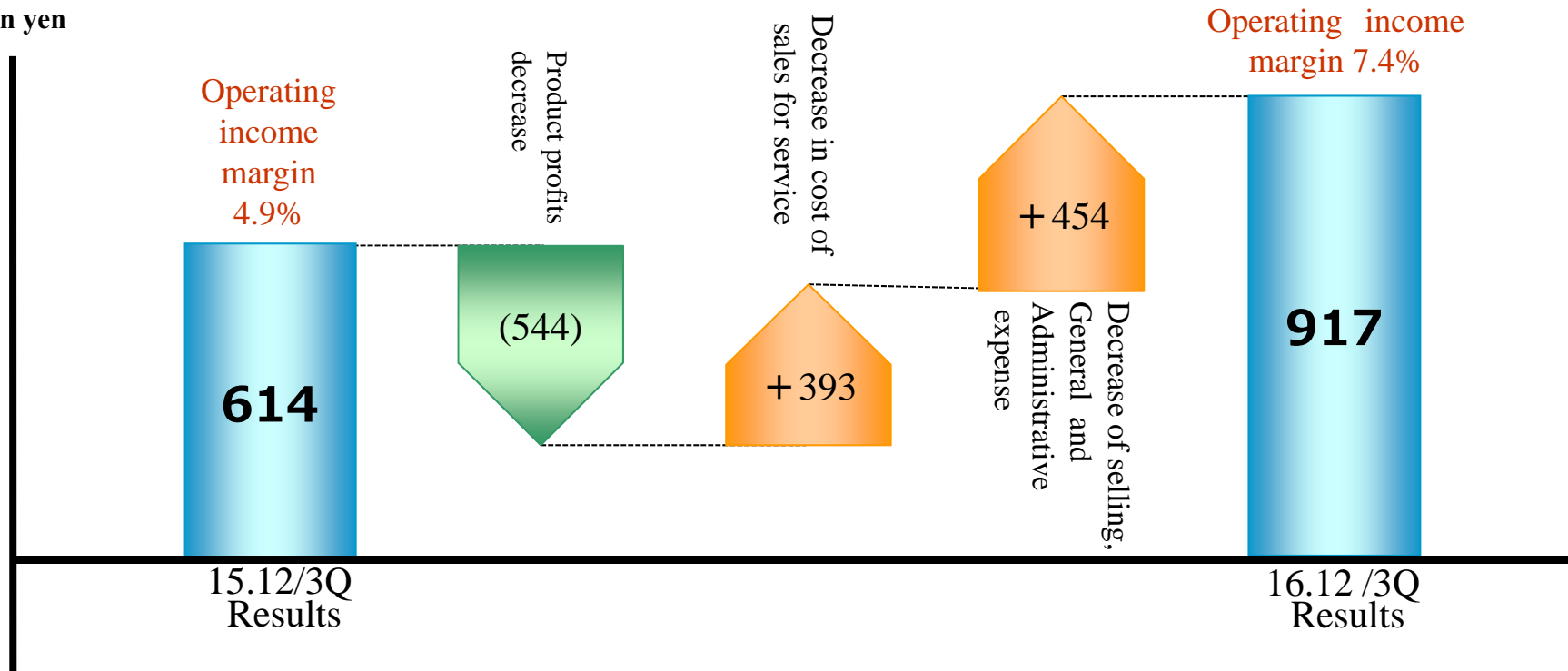
Product profits decreased due to foreign currency translation, and costs also decreased. Accordingly, the impact of foreign currency translation on operating income is +24 million yen.

The main cause of the operating income increase is the increase in product profits due to the net sales increase.

[Consolidated] Changes in Operating Income (Against Plan)

CYBERNET SYSTEMS CO.,LTD.

Million yen



Main Causes of Changes Against Plan

○ Main causes of product profits changes

Decrease due to the impact of foreign currency translation -318 million yen/ Decrease due to cost rate increase, etc. -225 million yen

○ Main causes of cost of sales for service and selling, general and administrative expenses changes

Cost decrease due to the impact of foreign currency translation -322 million yen/ personnel expenses decrease due to recruitment decrease -136 million yen/ cost decrease -388 million yen

○ Main causes of operating income changes

Product profits decreased due to foreign currency translation, and costs also decreased. Accordingly, the impact of foreign currency translation on operating income is +4 million yen.

Product profits decreased due to the cost rate increase, and costs also decreased. Accordingly, operating income increased.

[Consolidated] Balance Sheet

CYBERNET SYSTEMS CO.,LTD.

	Million yen		
	15.12	16.12/3Q	YoY Change Amount
Current assets	14,857	15,251	394
Cash and deposits	2,755	2,635	(119)
Notes and accounts receivable-trade	3,701	3,719	18
Short-term investment securities	3,800	4,500	699 (i)
Short-term loans receivable	3,011	3,036	25
Others	1,588	1,358	(230)
Noncurrent assets	4,028	3,568	(459)
Property, plant and equipment	320	323	3
Intangible assets	2,854	2,473	(380) (ii)
Investments and other assets	853	771	(82)
Total Assets	18,885	18,820	(65)
Current liabilities	4,175	4,469	293
Accounts payable-trade	1,027	1,276	248
Income taxes payable	132	239	107
Advances received	1,996	1,886	(109)
Provision for bonuses	282	226	(56)
Others	735	840	104
Noncurrent liabilities	1,150	1,201	51
Provision for retirement benefits	1,090	1,146	56
Others	60	54	(5)
Total liabilities	5,325	5,670	345
Total net assets	13,560	13,149	(410)
Total liabilities and net assets	18,885	18,820	(65)

Main Causes of Changes from the End of the Previous Fiscal Year

- (i) Short-term investment securities (up 699 million yen from the end of the previous fiscal year)
Investments increased.
- (ii) Goodwill (down 521 million yen from the end of the previous fiscal year)
Goodwill decreased due to amortization of 249 million yen and a decrease of 271 million yen in foreign currency translation.

[Consolidated] Cash Flow Statement

CYBERNET SYSTEMS CO.,LTD.

	Million yen		
	15.12/3Q (cumulative)	16.12/3Q (cumulative)	YoY Change Amount
Net cash provided by operating activities	544	1,428	883
Net cash provided by investing activities	1,345	472	(872)
Net cash provided by financing activities	(479)	(418)	60
Effect of exchange rate change on cash and cash equivalents	(44)	(91)	(47)
Net increase in cash and cash equivalents	1,366	1,389	23
Cash and cash equivalents at beginning of period	4,239	5,664	1,424
Increase in cash and cash equivalents resulting from change of scope of consolidation	0	0	0
Cash and cash equivalents at end of period	5,606	7,054	1,448

Main Causes of Changes from the Previous Fiscal Year

○ Net cash provided by operating activities

Positive cash flow due mainly to a decline in income taxes paid.

○ Net cash provided by investing activities

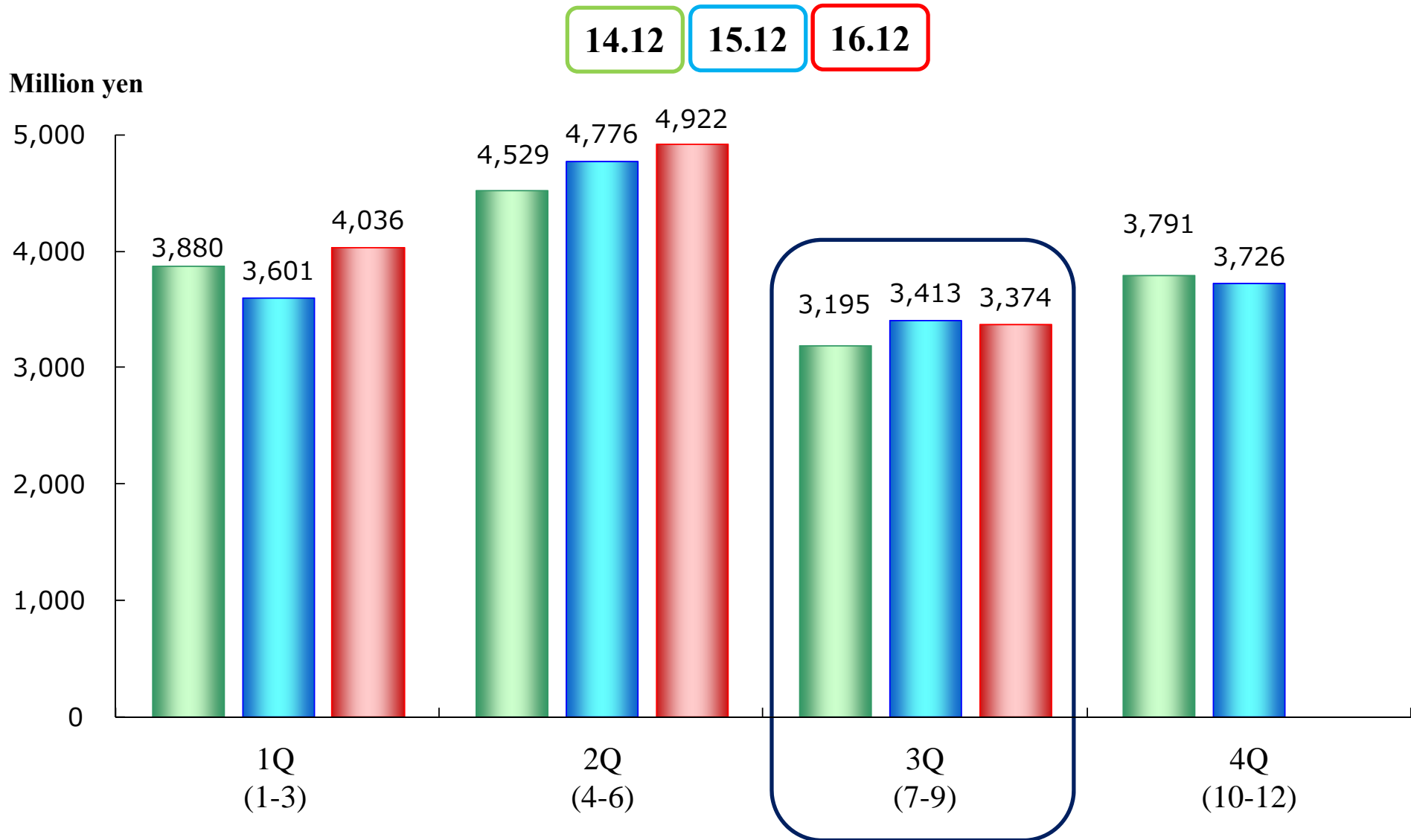
Negative cash flow, mainly due to a decline in inflows as a result of redemption of securities.

○ Net cash provided by financing activities

Positive cash flow, chiefly due to a decline in dividends paid.

[Consolidated] Quarterly Net Sales

CYBERNET SYSTEMS CO.,LTD.



[Consolidated]
Overview of Results by Segment

CYBERNET SYSTEMS CO.,LTD.

Million yen

	15.12/3Q(cumulative)	16.12/3Q(cumulative)		
	Results	Results	YoY Change Amount	YoY Change %
Total Net sales	11,792	12,333	+ 541	104.6%
CAE Solution Services	9,794	10,176	+ 381	103.9%
IT Solution Services	2,050	2,246	+ 195	109.5%
Elimination	(53)	(89)	(35)	—
Total Operating income	600	917	+ 317	152.9%
CAE Solution Services	1,460	1,818	+ 357	124.5%
IT Solution Services	213	286	+ 73	134.2%
Elimination	(1,074)	(1,187)	(113)	—

(Note) Adjustment include overhead costs that are not allocated to respective reporting segments, primarily consisting of administrative costs that cannot be conveniently attributed to or identified with any particular reporting segment.

(Note) The figures for CAE Solution Services indicate the total of CAE, development subsidiaries and sales subsidiaries.

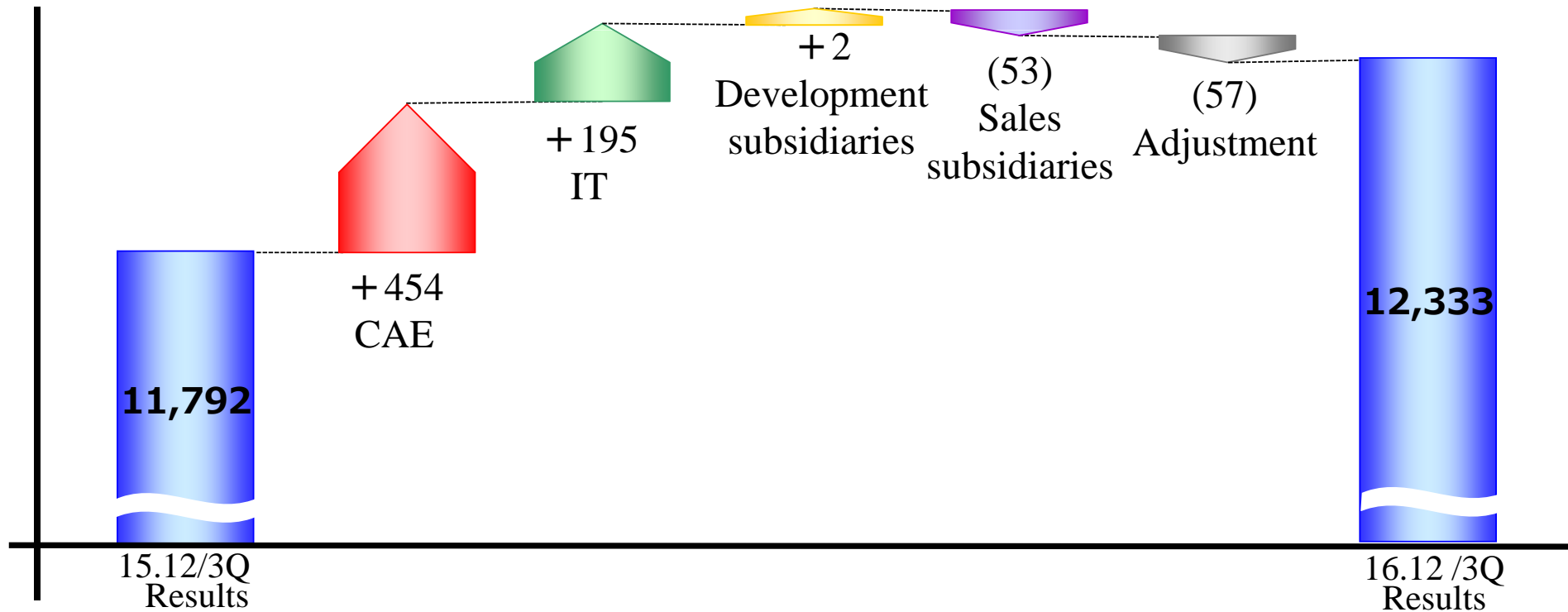
(Note) From the term under review, as a result of its partial reorganization, some of CAE Solution Services have been changed to IT Solution Services.

Segment information for the same period of the previous fiscal year has been presented based on information prepared in accordance with the classification method after the change.

[Consolidated] Changes in Net Sales by Business (YoY comparison)

CYBERNET SYSTEMS CO.,LTD.

Million yen



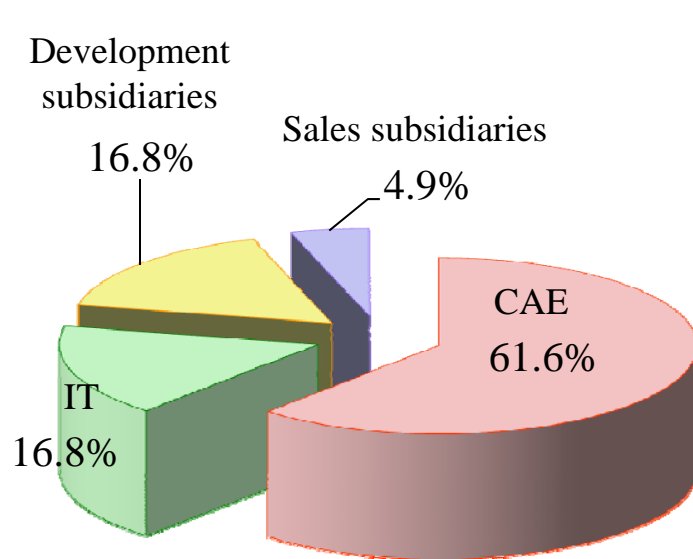
(Note) The following is a description of each business line.

- CAE is CYBERNET SYSTEMS' CAE solution services.
- IT is CYBERNET SYSTEMS' IT solution services.
- Development subsidiaries mean an aggregate of figures for consolidated subsidiaries (three development and sales subsidiaries in Europe and North America).
- Sales subsidiaries mean an aggregate of the figures for two consolidated sales subsidiaries in Asia.
- Adjustment means the total amount of consolidated adjustment and adjustment among segments.

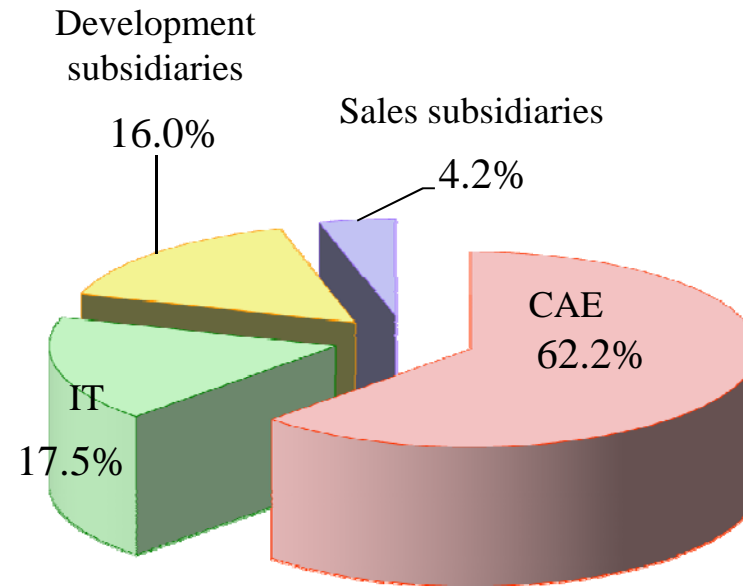
[Consolidated]

Sales Breakdown by Business

CYBERNET SYSTEMS CO.,LTD.



Consolidated Sales
11,792 million yen
15.12 /3Q



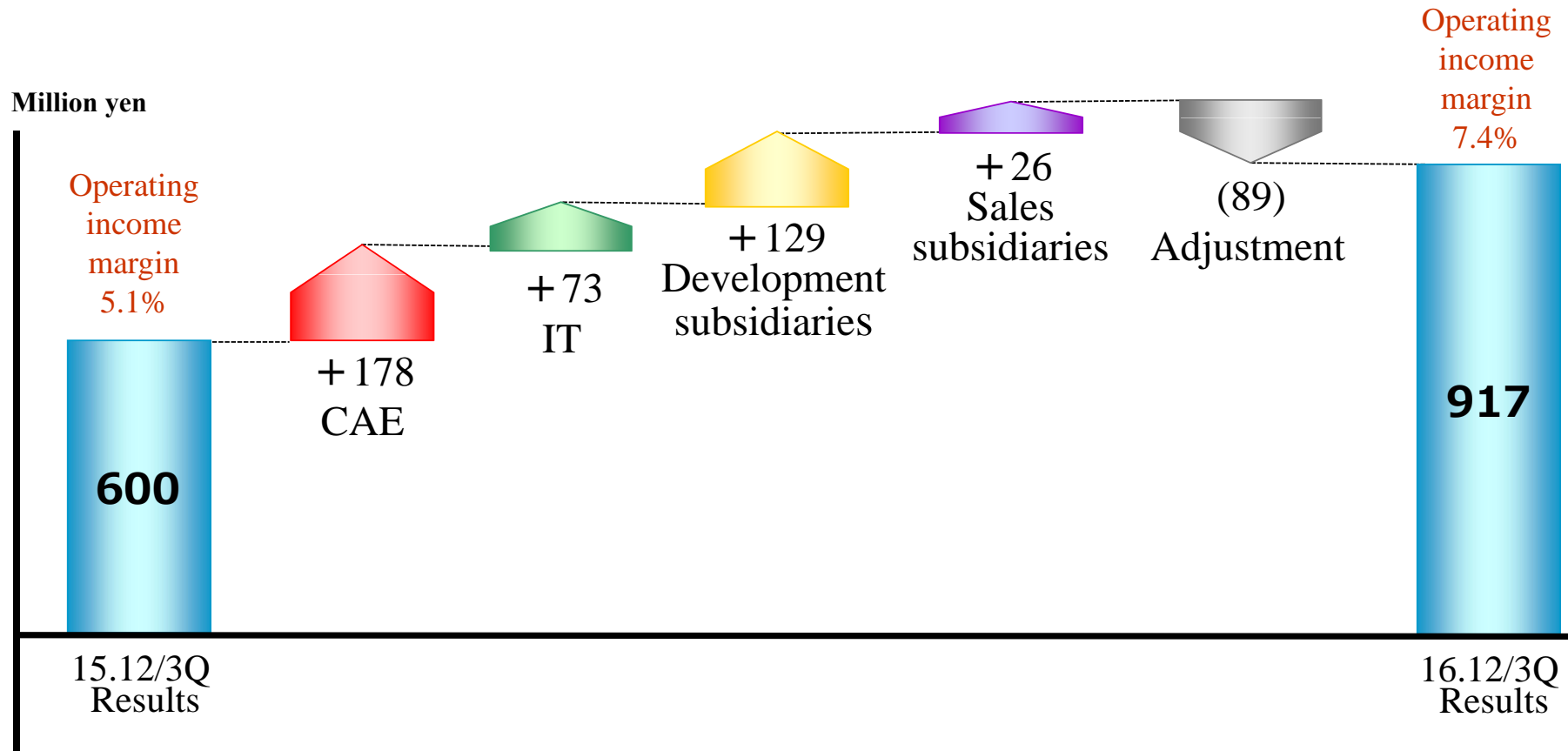
Consolidated Sales
12,333 million yen
16.12/3Q

(Note) The figures indicated above represent the percentage breakdown without consolidation adjustment and adjustment among segments. The business lines are the same as those on the previous page.

[Consolidated]

CYBERNET SYSTEMS CO.,LTD.

Changes in Operating Income by Business (YoY comparison)



(Note) The figures above are changes in operating income by business line from the same period of the previous fiscal year.
The business lines are the same as those for the net sales on the previous page.
Adjustment includes consolidated adjustments and overhead costs.

Business Summary by Segment

CAE Solution Services	
MCAE field	New license sales for the mainstay multiphysics analysis tools remained solid due to a blanket contract with a major customer and orders received from leading manufacturers and education institutions/government and municipal offices. Maintenance contract renewals remained strong, reflecting an increase in orders received from the machinery and precision instrument industry. Engineering services remained solid due to increased orders received from the automotive-related industry.
Optical design field	New license sales for the mainstay illumination design and analysis software remained weak due to a fall in orders received from the electrical equipment industry, despite progress in the use of the product in vehicles and industry. Maintenance contract renewals remained firm, mainly in the machinery and precision instruments industry. New license sales of optical design evaluation programs remained steady, reflecting orders from the machinery and precision instruments industry. Maintenance contract renewals remained firm. In the automotive lighting design software platforms, there was progress in the introduction to the automotive-related industry.
EDA field	In the electric circuit board design solutions business, although neither new license sales nor maintenance contract renewals met the initially anticipated plan, the business recorded steady results, with gradual progress in the launch of new products following the change in products handled. Orders for printed circuit board (PCB) engineering services from existing customers remained strong.
MBD field	New license sales of the 1D CAE tool, one of our Group products, remained steady due to orders received from the electric appliances and automotive-related industries, while maintenance contract renewals remained firm. Engineering services remained strong due to orders for outsourcing development and consulting mainly related to autonomous driving technology from the automotive-related industry and orders from the electric appliances industry.
Test & Measurement field	The Flat Panel Display (FPD) automated inspection systems we have developed saw large-scale orders from electrical manufacturers, but these failed to make up for the absence of the large-scale project for China that was recorded in the same period of the previous fiscal year.
Other fields	New license sales for the optimized design support tool, one of our Group products, remained weak due to a fall in orders received from the electric appliances industry, while maintenance contract renewals remained strong. With the progress of initiatives for automation and optimization and examinations of the establishment of a development environment, the number of inquiries has been experiencing a rising trend. The 3D tolerance management tool remained stagnant because market development did not progress as planned.

Business Summary by Segment

IT Solution Services	
IT solution field	New license sales of mainstay security-related solutions for a large software development vendor remained steady, mainly reflecting the receipt of new orders for the cloud model. Maintenance contract renewals were also favorable, thanks to growth mainly in our monthly billing models and OEM models. Both new license sales and maintenance contract renewals for our disk encryption software were favorable, helped by market needs for measures against security incidents. Cloud services performed steadily with the spread of the cloud environment. The sales of new licenses for cloud-type single sign-on/access control remained firm.
Data solution field	New license sales of innovation-supporting solutions remained stagnant due to a fall in orders from the machinery and precision instruments industry despite large-scale orders from major manufacturers, while maintenance contract renewals remained steady. The medical visualization field performed strongly on the back of the receipt of orders from educational institutions/government and municipal offices and companies in China. In the augmented reality (AR) field, the AR services that we launched in the previous fiscal year saw a strong start, and inquiries also increased.

(*)As a result of reorganization in fiscal 2016, the big data field and the visualization field have been integrated into the data solution field, and its segment has been changed from CAE solution services to IT solution services.

[Non-consolidated]
Net Sales by Application Area

CYBERNET SYSTEMS CO.,LTD.

[Third quarter of the fiscal year]

Million yen

	15.12/3Q		16.12/3Q			
	Results	Component ratio	Results	Component ratio	YoY Change Amount	YoY Change %
MCAE	1,144	44.4%	1,344	48.9%	+ 199	117.4%
Optical Design	478	18.5%	459	16.7%	(18)	96.1%
EDA	76	3.0%	103	3.8%	+ 27	135.3%
MBD	164	6.4%	178	6.5%	+ 13	108.5%
Test and Measurement	15	0.6%	2	0.1%	(12)	13.8%
Others	86	3.4%	65	2.4%	(21)	75.4%
CAE Total	1,965	76.2%	2,153	78.2%	+ 187	109.5%
IT Solution	366	14.2%	428	15.6%	+ 61	116.7%
Data Solution	246	9.6%	170	6.2%	(76)	69.0%
IT Total	613	23.8%	598	21.8%	(15)	97.5%
Total	2,579	100.0%	2,751	100.0%	+ 172	106.7%

[Non-consolidated]
Net Sales by Application Area

CYBERNET SYSTEMS CO.,LTD.

[First three quarters of the fiscal year]

Million yen

	15.12/3Q(cumulative)		16.12/3Q(cumulative)			
	Results	Component ratio	Results	Component ratio	YoY Change Amount	YoY Change %
MCAE	4,198	44.1%	4,410	43.5%	+ 211	105.0%
Optical Design	2,188	23.0%	2,302	22.7%	+ 114	105.2%
EDA	241	2.5%	300	3.0%	+ 58	124.1%
MBD	461	4.8%	582	5.7%	+ 120	126.1%
Test and Measurement	119	1.3%	53	0.5%	(65)	44.8%
Others	253	2.7%	233	2.3%	(20)	92.0%
CAE Total	7,462	78.4%	7,881	77.8%	+ 418	105.6%
IT Solution	1,346	14.1%	1,534	15.1%	+ 188	114.0%
Data Solution	713	7.5%	720	7.1%	+ 7	101.0%
IT Total	2,059	21.6%	2,254	22.2%	+ 195	109.5%
Total	9,522	100.0%	10,136	100.0%	+ 614	106.5%

[Non-consolidated] Net Sales by Category of Industry CYBERNET SYSTEMS CO.,LTD.

[Third quarter of the fiscal year]

Million yen

	15.12/3Q		16.12/3Q			
	Results	Component ratio	Results	Component ratio	YoY Change Amount	YoY Change %
Electrical equipment	872	33.8%	738	26.8%	(133)	84.7%
Machinery & Precision Machinery	371	14.4%	464	16.9%	+ 92	125.0%
Transportation equipment	358	13.9%	363	13.2%	+ 4	101.3%
Other manufacturing industry	380	14.7%	398	14.5%	+ 18	104.7%
Eductaion institution/government and municipal offices	184	7.1%	235	8.5%	+ 50	127.6%
Telecommunication industry	132	5.2%	160	5.8%	+ 27	120.7%
Others	279	10.8%	391	14.2%	+ 111	140.1%
Total	2,579	100.0%	2,751	100.0%	+ 172	106.7%

[Non-consolidated] Net Sales by Category of Industry CYBERNET SYSTEMS CO.,LTD.

[First three quarters of the fiscal year]

Million yen

	15.12/3Q(cumulative)		16.12/3Q(cumulative)			
	Results	Component ratio	Results	Component ratio	YoY Change Amount	YoY Change %
Electrical equipment	3,337	35.1%	3,273	32.3%	(64)	98.1%
Machinery & Precision Machinery	1,518	15.9%	1,722	17.0%	+ 204	113.4%
Transportation equipment	1,090	11.5%	1,200	11.8%	+ 109	110.1%
Other manufacturing industry	1,007	10.6%	1,260	12.4%	+ 253	125.1%
Eductaion institution/government and municipal offices	890	9.4%	884	8.7%	(5)	99.3%
Telecommunication industry	583	6.1%	626	6.2%	+ 42	107.2%
Others	1,092	11.5%	1,168	11.5%	+ 75	106.9%
Total	9,522	100.0%	10,136	100.0%	+ 614	106.5%

[Non-consolidated] Net Sales by Contract

CYBERNET SYSTEMS CO.,LTD.

[Third quarter of the fiscal year]

Million yen

	15.12/3Q		16.12/3Q			
	Results	Component ratio	Results	Component ratio	YoY Change Amount	YoY Change %
New licenses	989	42.8%	1,025	41.4%	+ 36	103.7%
Renewals of the maintenance contracts	1,325	57.2%	1,453	58.6%	+ 128	109.7%
Total	2,315	100.0%	2,479	100.0%	+ 164	107.1%

[First three quarters of the fiscal year]

Million yen

	15.12/3Q (cumulative)		16.12/3Q (cumulative)			
	Results	Component ratio	Results	Component ratio	YoY Change Amount	YoY Change %
New licenses	3,164	36.5%	3,268	35.7%	+ 103	103.3%
Renewals of the maintenance contracts	5,516	63.5%	5,892	64.3%	+ 375	106.8%
Total	8,681	100.0%	9,161	100.0%	+ 479	105.5%

Note: The figures presented above are solely net sales for software, hardware and services whose sales take the form of license contracts.

[Consolidated] Performance at Overseas Subsidiaries (Development subsidiaries)

CYBERNET SYSTEMS CO.,LTD.

Development subsidiaries	WATERLOO MAPLE INC.	Noesis Solutions NV	Sigmatix, L.L.C.
	Canada	Belgium	United States
Year-on-year change in sales (local currency)	123.2%	99.6%	99.6%
Year-on-year change in sales (in yen)	105.3%	90.1%	91.4%
Performance	WATERLOO MAPLE won a large-scale OEM project in North America, and accordingly performance was strong.	Sales of optimized design support tools remained strong in North America, but were sluggish in Europe and Asia.	Sales of 3D tolerance management tools remained strong in mainstay North America, but were sluggish in Europe and Asia.

[Consolidated] Performance at Overseas Subsidiaries (Sales subsidiaries)

CYBERNET SYSTEMS CO.,LTD.

Sales subsidiaries	CYBERNET SYSTEMS (SHANGHAI) CO.,LTD.	CYBERNET SYSTEMS TAIWAN CO.,LTD.
	China	Taiwan
Year-on-year change in sales (local currency)	83.4%	135.7%
Year-on-year change in sales (in yen)	72.7%	119.6%
Performance	Sales of the STEM (*) computing platform, one of our Group products, remained firm, while sales of mainstay optical system software remained sluggish.	Sales of mainstay optical system software and other products remained strong.

(*)STEM: A generic acronym that stands for the comprehensive fields of “science, technology, engineering, and mathematics”

Projection for FY2016

[Consolidated]
Projection for Current Fiscal Year

CYBERNET SYSTEMS CO.,LTD.

Million yen

	Full year			
	16.12E	15.12		
	Plan	Results	YoY Change Amount	YoY Change %
Net sales	16,800	15,518	+ 1,281	108.3%
Operating income	950	851	+ 98	111.5%
Operating income margin	5.7%	5.5%	+ 0.2P	
Ordinary income	1,048	1,003	+ 44	104.5%
Ordinary income margin	6.2%	6.5%	(0.3P)	
Profit attributable to owners of parent	461	463	(2)	99.5%
Profit attributable to owners of parent margin	2.7%	3.0%	(0.3P)	

*P: Point

Before amortization of goodwill Operating income	1,316	1,228	+ 87	107.1%
Before amortization of goodwill Operating income margin	7.8%	7.9%	(0.1P)	

*P: Point

[Consolidated]

CYBERNET SYSTEMS CO.,LTD.

Dividend Estimate for Current Fiscal Year

Yen

	15.12	16.12E		
	Total	End of 2Q	Fiscal year-end	Total
	Result	Result	Projection	Projection
Dividend per share	13.80	6.50	6.50	13.00
Net income per share	14.87	16.16	—	14.80
Dividend payout target ratio	92.8%	—	—	87.8%
(Ref.) Dividend on equity ratio	3.1%	—	—	3.0%

Dividends Policy

Starting from the fiscal year ended December 31, 2015, we adopt a higher dividend payout ratio or DOE, whichever produces a higher dividend, and uses it as a benchmark in determining the dividend amount.

We also take into consideration the investment funds that will be required to achieve a higher corporate value over the medium and long term to make a comprehensive judgment regarding its ultimate dividend payment.

-Dividend payout target ratio: 50%

-Dividend on equity ratio: 3.0%

Provide value unique to Cybernet

- 1D CAE + 3D CAE *MDS
- Extended MDS consisting of CAE and test and measurement solutions

Consolidated sales (ratio to consolidated sales)

[2014] ¥12.7 billion (82.7%) ⇒ [2020] ¥25.9 billion (86.4%)

* MDS: Multi-Domain Solution

Focus on automotive field

- Domestic sales (ratio to domestic sales)

[2014] ¥1.5 billion (12%) ⇒ [2020] Approx. ¥5 billion (25%)

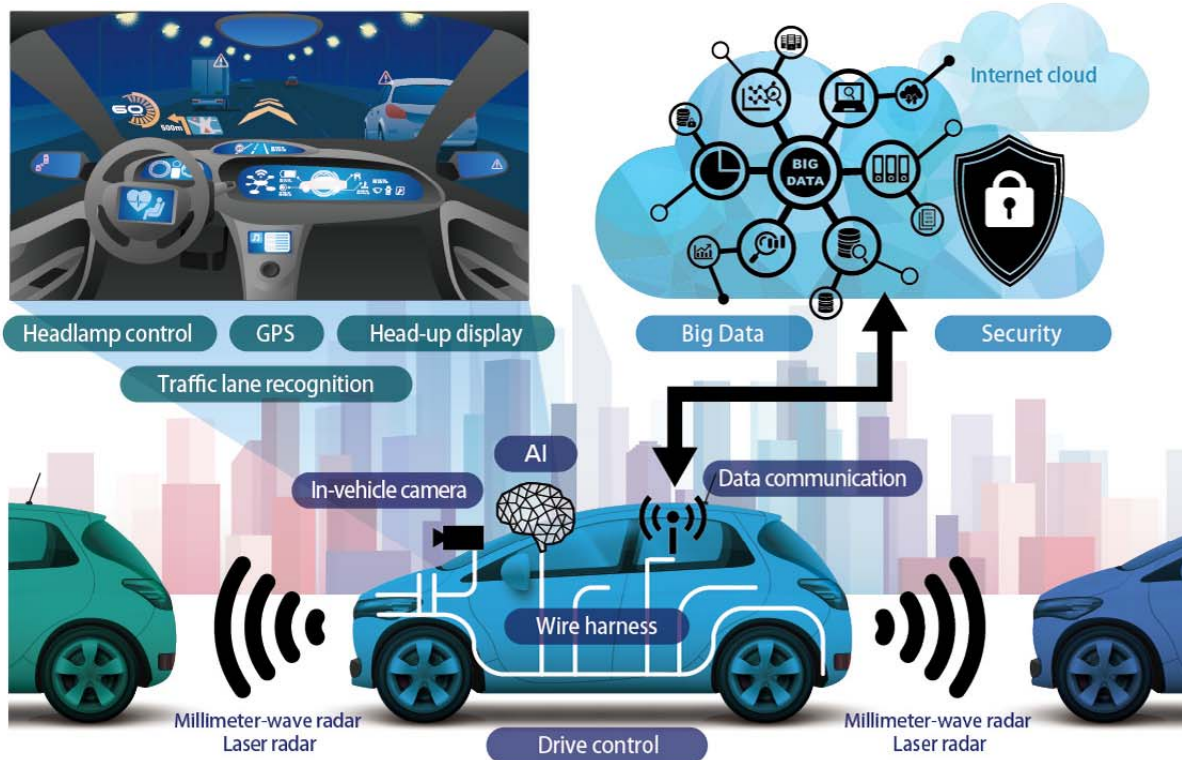
Strengthen cooperation with partners

- Establish sales/support structure globally and locally
- Promote OEM offering

Example of Using Our Technologies in Automotive Development

CYBERNET SYSTEMS CO.,LTD.

CAE enhances automated driving



CAE innovates R&D



Our AR Solution

CYBERNET SYSTEMS CO.,LTD.

Try our AR technology (cybARnet)!

Cybernet's corporate introduction movie is able to be easily viewed on smartphones.

- (i) Search “cybARnet” through AppStore or Google Play (the red marks as presented below are earmarks).
- (ii) Launch applications and tap the QR code reading button on the right top of the screen.
- (iii) Reading the QR code below.
- (iv) Hold your smart device over the red mark as presented below, and the introduction movie will appear in the virtual space.



Reference Materials

Corporate Overview (as of September 30, 2016)

CYBERNET SYSTEMS CO., LTD.

<i>Company Name :</i>	CYBERNET SYSTEMS CO., LTD. (Stock code: 4312, the First Section of Tokyo Stock Exchange)
<i>Head Office :</i>	FUJISOFT Bldg. 3 Kandanebiki-cho, Chiyoda-ku, Tokyo 101-0022, Japan
<i>Branch Offices :</i>	Nishi-Nihon Branch Office in Osaka, Chubu Branch Office in Nagoya
<i>Founding date :</i>	April 17, 1985
<i>Capital :</i>	995 million yen
<i>Number of Employees :</i>	Consolidated / 594, Non-Consolidated / 360
<i>Business :</i>	Providing CAE and IT solutions, as well as professional services including consulting
<i>Subsidiaries & affiliates :</i>	Consolidated / WATERLOO MAPLE INC. Noesis Solutions NV CYBERNET SYSTEMS (SHANGHAI) CO., LTD. Sigmetrix, L.L.C. CYBERNET HOLDINGS CANADA, INC. (Special Purpose Company) Cybernet Systems Holdings U.S. Inc. (Special Purpose Company) CYBERNET SYSTEMS TAIWAN CO., LTD.

CAE stands for “Computer Aided Engineering”

[Non-consolidated] Business Summary

CYBERNET SYSTEMS CO.,LTD.

Million yen

	16.12/3Q (cumulative) Results	15.12/3Q (cumulative) Results	YoY Change Amount	YoY Change %	16.12/3Q (cumulative) Plan	Change Amount from Plan	Change % from Plan
Net sales	10,136	9,522	+ 614	106.5%	9,992	+ 144	101.4%
Operating income	1,035	891	+ 143	116.1%	946	+ 89	109.4%
Operating income margin	10.2%	9.4%	+ 0.8P		9.5%	+ 0.7P	
Ordinary income	990	922	+ 68	107.4%	946	+ 44	104.7%
Ordinary income margin	9.8%	9.7%	+ 0.1P		9.5%	+ 0.3P	
Net income	574	501	+ 73	114.6%	545	+ 29	105.5%
Net income margin	5.7%	5.3%	+ 0.4P		5.5%	+ 0.2P	

*P: Point

[Non-consolidated]
Projection for Current Fiscal Year

CYBERNET SYSTEMS CO.,LTD.

Million yen

	Full year			
	16.12E	15.12		
	Plan	Results	YoY Change Amount	YoY Change %
Net sales	13,155	12,331	+ 823	106.7%
Operating income	1,197	1,163	+ 33	102.9%
Operating income margin	9.1%	9.4%	(0.3P)	
Ordinary income	1,197	1,197	+ 0	99.9%
Ordinary income margin	9.1%	9.7%	(0.6P)	
Net income	672	665	+ 6	101.0%
Net income margin	5.1%	5.4%	(0.3P)	

* P : Point

Results forecast

Exchange rate for the results forecast for 16.12E is JPY110/USD.

CYBERNET SYSTEMS CO., LTD.

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