

Results of Operations (Consolidated) of 3rd Quarter of Fiscal Year Ending March 2009

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Sumisho Computer Systems Corporation



Summary of results of operations

(Nine-month period [consolidated])

[Consolidated]

(Yen in Millions)

	Apr. 2007- Dec. 2007	Apr. 2008- Dec. 2008	Increase/ Decrease	Rate of Change (%)
Sales	92,821	95,405	2,583	2.8%
Gross Profit	21,301	22,249	947	4.5%
SG&A Expenses	15,975	17,513	1,537	9.6%
Operating Income	5,326	4,736	△589	△11.1%
Ordinary Income	5,554	5,081	△473	△8.5%
Net Income	3,006	1,833	△1,173	△39.0%



Summary of results of operations

(Three-month period [consolidated])

[Consolidated]

(Yen in Millions)

	Oct. 2007- Dec. 2007	Oct. 2008- Dec. 2008	Increase/ Decrease	Rate of Change (%)
Sales	31,227	31,935	708	2.3%
Gross Profit	7,652	7,548	△103	△1.4%
SG&A Expenses	5,233	5,803	569	10.9%
Operating Income	2,419	1,745	△673	△27.8%
Ordinary Income	2,475	1,859	△616	△24.9%
Net Income	1,282	179	△1,103	△86.0%



Sales comparison by solution

(Nine-month period [consolidated])

[Consolidated]

(Yen in Millions)

	Apr. 2007- Dec. 2007 (Percentage of Total: %)	Apr. 2008- Dec. 2008 (Percentage of Total: %)	Increase/ Decrease	Rate of Change (%)
Industrial Solutions	48,672 (52.4%)	46,685 (48.9%)	△1,987	△4.1%
ERP Solutions	10,123 (10.9%)	11,853 (12.4%)	1,730	17.1%
Platform Solutions	34,025 (36.7%)	36,865 (38.7%)	2,840	8.3%
Total	92,821 (100.0%)	95,405 (100.0%)	2,583	2.8%



Sales comparison by segment

(Nine-month period [consolidated])

[Consolidated]

(Yen in Millions)

	Apr. 2007- Dec. 2007 (Percentage of Total: %)	Apr. 2008- Dec. 2008 (Percentage of Total: %)	Increase/ Decrease	Rate of Change (%)
Software Development	32,440 (35.0%)	33,672 (35.3%)	1,232	3.8%
Information Processing	25,721 (27.7%)	26,097 (27.4%)	376	1.5%
Package Software and Hardware Sales	34,660 (37.3%)	35,634 (37.3%)	974	2.8%
Total	92,821 (100.0%)	95,405 (100.0%)	2,583	2.8%

[Orders Accepted] Software Development	35,754	40,193	4,439	12.4%
[Backlog] Software Development	10,343	12,485	2,142	20.7%



Sales comparison by segment

(Nine-month period [consolidated])

[Consolidated]

(Yen in Millions)

Apr. 2008-Dec. 2008	Software Development	Information Processing	Package Software and Hardware Sales	Total
Industrial Solutions	23,781	13,028	9,875	46,685
ERP Solutions	8,233	713	2,907	11,853
Platform Solutions	1,658	12,355	22,851	36,865
Total	33,672	26,097	35,634	95,405
Apr. 2007-Dec. 2007	Software Development	Information Processing	Package Software and Hardware Sales	Total
Industrial Solutions	23,656	13,211	11,804	48,672
ERP Solutions	7,172	498	2,453	10,123
Platform Solutions	1,611	12,011	20,402	34,025
Total	32,440	25,721	34,660	92,821
Variance	Software Development	Information Processing	Package Software and Hardware Sales	Total
Industrial Solutions	125	△183	△1,929	△1,987
ERP Solutions	1,061	215	453	1,730
Platform Solutions	46	344	2,449	2,840
Total	1,232	376	974	2,583



Sales comparison by sector

(Nine-month period [consolidated])

[Consolidated]

(Yen in Millions)

		Apr. 2007-Dec. 2007		Apr. 2008-Dec. 2008		Increase/Decrease	
		Amount	(Percentage of Total: %)	Amount	(Percentage of Total: %)	Amount	Rate of Change (%)
Manufacturers		26,045	28.1%	28,259	29.6%	2,213	8.5%
Distributors		19,139	20.6%	20,078	21.0%	938	4.9%
Financial Institutions		12,018	12.9%	12,541	13.1%	522	4.3%
	Banks	3,997	4.3%	4,555	4.8%	557	13.9%
	Securities Firm	3,889	4.2%	2,630	2.8%	△1,258	△32.4%
	Leasing Companies	1,823	2.0%	2,284	2.4%	461	25.3%
	Insurance Companies	2,307	2.5%	3,070	3.2%	762	33.0%
Communications/ Transportation		16,244	17.5%	15,583	16.3%	△660	△4.1%
Utilities		1,219	1.3%	1,316	1.4%	97	8.0%
Services/Others		18,153	19.6%	17,626	18.5%	△526	△2.9%
Total		92,821	100.0%	95,405	100.0%	2,583	2.8%

※Sales amounts in sales comparison by sector are partially amended for the previous FY.



Sales comparison by sector

(Three-month period [consolidated])

[Consolidated]

(Yen in Millions)

		Oct. 2007-Dec. 2007		Oct. 2008-Dec. 2008		Increase/Decrease	
		Amount	(Percentage of Total: %)	Amount	(Percentage of Total: %)	Amount	Rate of Change (%)
Manufacturers		7,982	25.6%	9,589	30.0%	1,606	20.1%
Distributors		6,561	21.0%	6,301	19.7%	△260	△4.0%
Financial Institutions		4,252	13.6%	4,072	12.8%	△179	△4.2%
	Banks	1,374	4.4%	1,515	4.7%	140	10.2%
	Securities Firm	1,356	4.3%	719	2.3%	△636	△46.9%
	Leasing Companies	642	2.1%	860	2.7%	217	33.8%
	Insurance Companies	878	2.8%	977	3.1%	99	11.3%
Communications/ Transportation		6,224	19.9%	6,221	19.5%	△3	△0.1%
Utilities		411	1.3%	573	1.8%	161	39.4%
Services/Others		5,793	18.6%	5,176	16.2%	△616	△10.6%
Total		31,227	100.0%	31,935	100.0%	708	2.3%

※Sales amounts in sales comparison by sector are partially amended for the previous FY.



Sales analysis (year-on-year, main factors for increase and decrease in sales, April-December)

	6-month period (Apr.- Sept.)	3-month period (Oct.- Dec.)	9-month period (Apr.- Dec.)
Total	+1,900 mil. yen	+700 mil. yen	+2,600 mil. yen
Factors for increase	+5,000 mil. yen	+1,900 mil. yen	+6,900 mil. yen
ERP Solutions Related to software vendor business ProActive eMplex Platform Solutions HPC large project Related to product distribution Others (Increase on a consolidated basis due to business restructuring of subsidiaries)	+700 mil. yen +200 mil. yen +500 mil. yen +1,500 mil. yen +1,500 mil. yen +1,300 mil. yen	+800 mil. yen +350 mil. yen +450 mil. yen +1,100 mil. yen	+1500 mil. yen +550 mil. yen +950 mil. yen +1,500 mil. yen +2,600 mil. yen +1,300 mil. yen
Factors for decrease	Δ3,100 mil. yen	Δ1,200 mil. yen	Δ4,300 mil. yen
Industrial Solutions Large project for server integration Project for server sales Solution business for securities industry Platform Solutions Project for base engineering Others (related to business transfer)	Δ700 mil. yen Δ1,400 mil. yen Δ800 mil. yen* Δ200 mil. yen	 Δ500 mil. yen Δ550 mil. yen Δ150 mil. yen	Δ700 mil. yen Δ1,400 mil. yen Δ1,300 mil. yen Δ550 mil. yen Δ350 mil. yen

※Disclosures for 6-month period were changed in relation to 3Q disclosures for 3-month period.



Gross profit analysis (year-on-year, main factors for increase and decrease in gross profit, April - December)

	6-month period (Apr.- Sept.)	3-month period (Oct.- Dec.)	9-month period (Apr.- Dec.)
Total	+1,050 mil. yen	△100 mil. yen	+950 mil. yen
Factors for increase	+1,400 mil. yen	+500 mil. yen	+1,900 mil. yen
Unprofitable projects ERP Solutions Related to software vendor business ProActive eMplex Platform Solutions Related to product distribution Others (Increase on a consolidated basis due to business restructuring of subsidiaries)	+80 mil. yen +450 mil. yen +300 mil. yen +150 mil. yen +210 mil. yen +660 mil. yen	+10 mil. yen +320 mil. yen +220 mil. yen +100 mil. yen +170 mil. yen	+90 mil. yen +770 mil. yen +520 mil. yen +250 mil. yen +380 mil. yen +660 mil. yen
Factors for decrease	△350 mil. yen	△600 mil. yen	△950 mil. yen
Industrial solutions Projects for server integration, etc. Solution business for securities industry Solution business for manufacturing solutions Platform Solutions Project for base engineering Others (related to business transfer)	△110 mil. yen △230 mil. yen* △10 mil. yen	△150 mil. yen △150 mil. yen △160 mil. yen △140 mil. yen	△110 mil. yen △380 mil. yen △150 mil. yen △160 mil. yen △150 mil. yen

*Disclosures for 6-month period were changed in relation to 3Q disclosures for 3-month period.



SG&A expenses analysis (year-on-year, main factors for increase and decrease in SG&A expenses, April - December)

	6-month period (Apr.- Sept.)	3-month period (Oct.- Dec.)	9-month period (Apr.- Dec.)
Total	+970 mil. yen	+570 mil. yen	+1540 mil. yen
Factors for increase	+1,050 mil. yen	+630 mil. yen	+1,680 mil. yen
Global business strategy	+200 mil. yen	+150 mil. yen	+350 mil. yen
ERP Solutions related to software vendor business	+570 mil. yen	+360 mil. yen	+930 mil. yen
ProActive	+150 mil. yen	+150 mil. yen	+300 mil. yen
eMplex	+420 mil. yen	+210 mil. yen	+630 mil. yen
Platform Solutions			
Expansion of product distribution business	+80 mil. yen	+60 mil. yen	+140 mil. yen
Expansion of management infrastructure	+40 mil. yen	+20 mil. yen	+60 mil. yen
Others (related to business transfers)	+160 mil. yen	+40 mil. yen	+200 mil. yen
Factors for decrease	Δ80 mil. yen	Δ60 mil. yen	Δ140 mil. yen
Others (related to business transfer/cost reduction, etc.)	Δ80 mil. yen	Δ60 mil. yen	Δ140 mil. yen



Impact and Countermeasures in Target Businesses

Target businesses

Extent of impact on SCS

Business focus

Finance solutions	Securities	With chaos/poor performance in the financial market IT investment is significantly reduced.	Strategic shift of management resources from the securities industry to the insurance industry, etc.
	Others	Banks are experiencing budget constriction on IT investments caused by the subprime issue, but IT investment in the insurance industry continues to be underlying.	
Manufacturing solutions		Business investment (incl. IT investment) is drastically reduced in export-oriented businesses, particularly in the auto industry.	Concentrate on management resources for solutions targeting improving client business earning power and focus on streamlining costs.
ERP solutions	ProActive	While market growth for ERP promotion in small-to-mid sized businesses is as projected, there remains concern that potential clients lack investment capital.	Strategic target in place at group businesses of major corporations and strengthen various marketing measures, such as strategic partnerships, etc.
	SAP, Oracle, etc.	Demand to update/restructure ERP is stable, but there is a downward trend in global projects for the manufacturing industry.	Strategic focus on special large-scale projects and concentrate on improving productivity/profitability.
Platform solutions		In all industries, there has been drastic investment reduction in large-scale IT infrastructure building, particularly in HPC projects.	Proceed with marketing strategies in traditionally unexplored fields, such as expanding global network business.



Appraised loss of securities

(Nine-month period [consolidated])

Since appraised loss of investment securities is valued at method of reversing the amount in full to the income in the following period, the calculated sum may change or may not be written off in accordance with market value at the end of the business year ending March 2009.

(Yen in Millions)

Brand name	Appraised loss	Rate of decline (%)
Cybozu Inc.	△ 1,301	△ 50.4%
Others	△ 179	
Total	△ 1,480	



Acquiring treasury stock

Acquisition

Type of acquired stock	Company's common stock
Total number of acquired stock	1,111,100 shares
	[Percentage of total number of issued shares (excl. treasury stock) 2.2%]
Total acquisition price	1,692 million yen
Acquisition period	Oct. 29-Dec. 15, 2008
<Reference> Treasury stock held as of Dec. 31, 2008	
Total number of issued shares (excl. treasury stock)	49,954,514 shares
Number of treasury stock	4,336,933 shares



Revised financial forecast

[Consolidated]

(Yen in Millions)

	Initial forecast 2009/03	Revised forecast 2009/03	Increase/ Decrease	Rate of Change (%)
Sales	143,000	138,000	△ 5,000	△ 3.5%
Gross Profit	33,200	32,000	△ 1,200	△ 3.6%
SG&A Expenses	22,700	23,500	800	△ 3.5%
Operating Income	10,500	8,500	△ 2,000	△ 19.1%
Ordinary Income	10,800	8,900	△ 1,900	△ 17.6%
Net income	5,800	4,000	△ 1,800	△ 31.3%



Main factors for forecast revision

	Sales	Gross profit	SG&A Expenses
Initial forecast	143,000 mil. yen	33,200 mil. yen	22,700 mil. yen
Revised forecast	138,000 mil. yen	32,000 mil. yen	23,500 mil. yen
Variance	Δ5,000 mil. yen	Δ1,200 mil. yen	+800 mil. yen
Promote global strategies	Δ350mil. yen	Δ50mil. yen	+120mil. yen
Related to software vendor business	+130 mil. yen	+300 mil. yen	+810 mil. yen
Expanding product distribution business	+150 mil. yen	Δ100 mil. yen	Δ100 mil. yen
Expanding management infrastructure			Δ200 mil. yen
Manufacturing solutions/Basic engineering solutions/ Solution business for securities industry	Δ7000 mil. yen	Δ1800 mil. yen	
Others (related to subsidiaries/business transfers, etc.)	+900 mil. yen	+450 mil. yen	+ 170 mil. yen

ProActive	09.01.13	ProActive E2 “Sales Management Subsystem” Start providing enhanced version in late 2009
	09.01.20	ProActive E2 virtualization software for Oracle VM
ERP	08.11.11	Max CO., LTD. begins full operation of ASTERIA WARP from Infoteria Corporation
	08.12.01	Collaboration with ORACLE CORPORATION JAPAN on server virtualization
	08.12.19	ALCONIX Corporation adopts “Trade-Kit,” achieves stable operation
Curl	08.10.21	Providing server linked tool for RIA using open source
	08.12.12	Official release of Japanese language version of “Curl Eclipse plug-in”

Network	08.10.06	AD (Authorized Distributor) partnership entered with H3C
	08.10.30	Start sales of interface cards for network switch system “Myri-10G” for dual ports
	08.11.27	Start sales of signal monitoring for 10Gbps network and appliance products for information security
	09.01.08	Start maintenance service for designing/building/operating IT infrastructure for businesses entering overseas markets
Storage	08.10.02	Start handling next-generation semiconductor storage “ioDrive”
	08.10.22	Sales tie-up with SGI Japan, Ltd. for NAS products
	08.12.02	Start sales of “everRunTMVM” fault tolerant/high availability software product for server virtualization

We look forward to your
further guidance and
encouragement in the future.