

Results of Operation of FY 2009 and Medium-Term Management Direction

April 28, 2010

Nobuhide Nakaido

Chairman & CEO

Sumisho Computer Systems Corporation

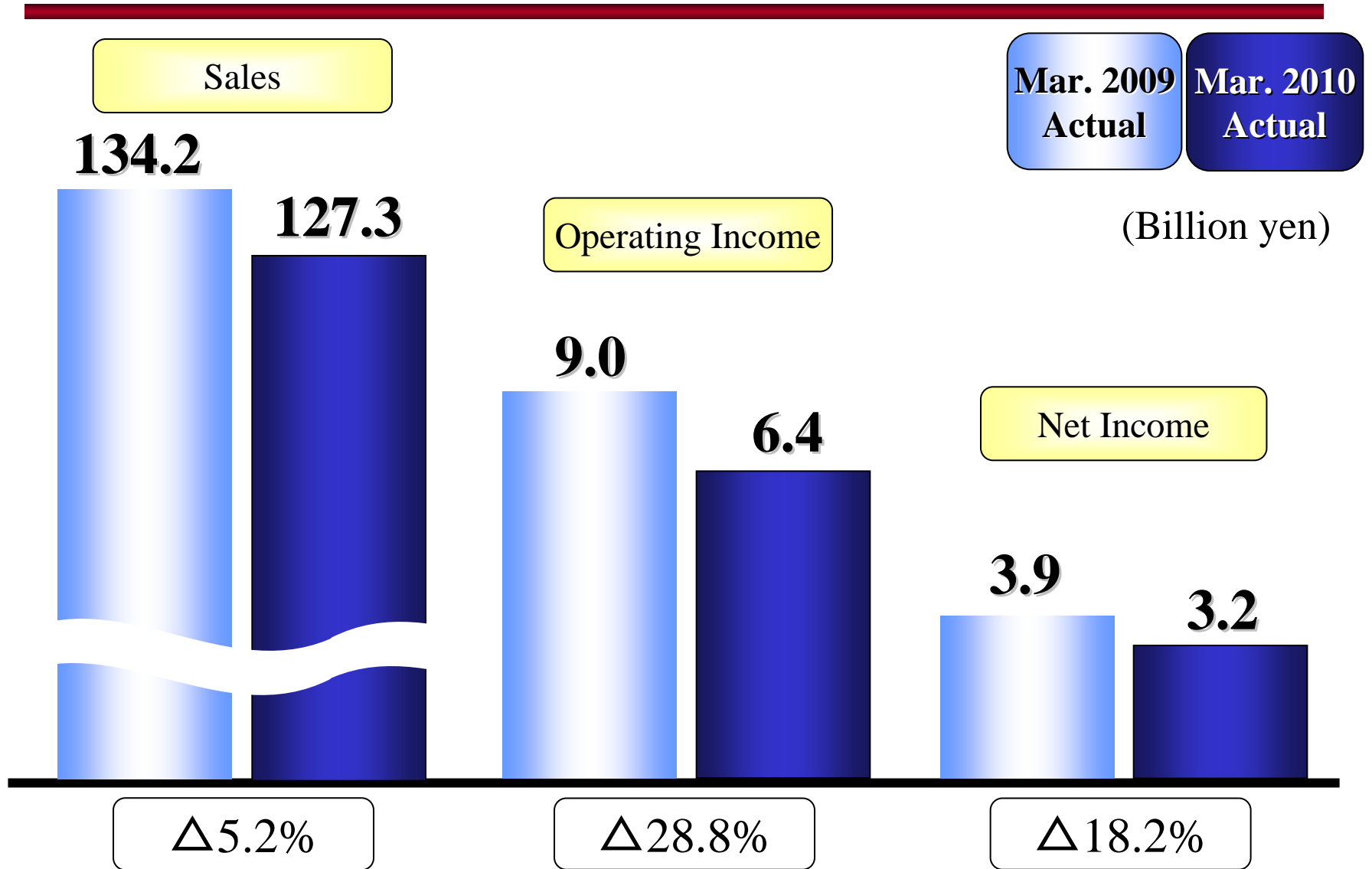


住商情報システム株式会社

Sumisho Computer Systems Corporation

Results of Operation for FY 2009

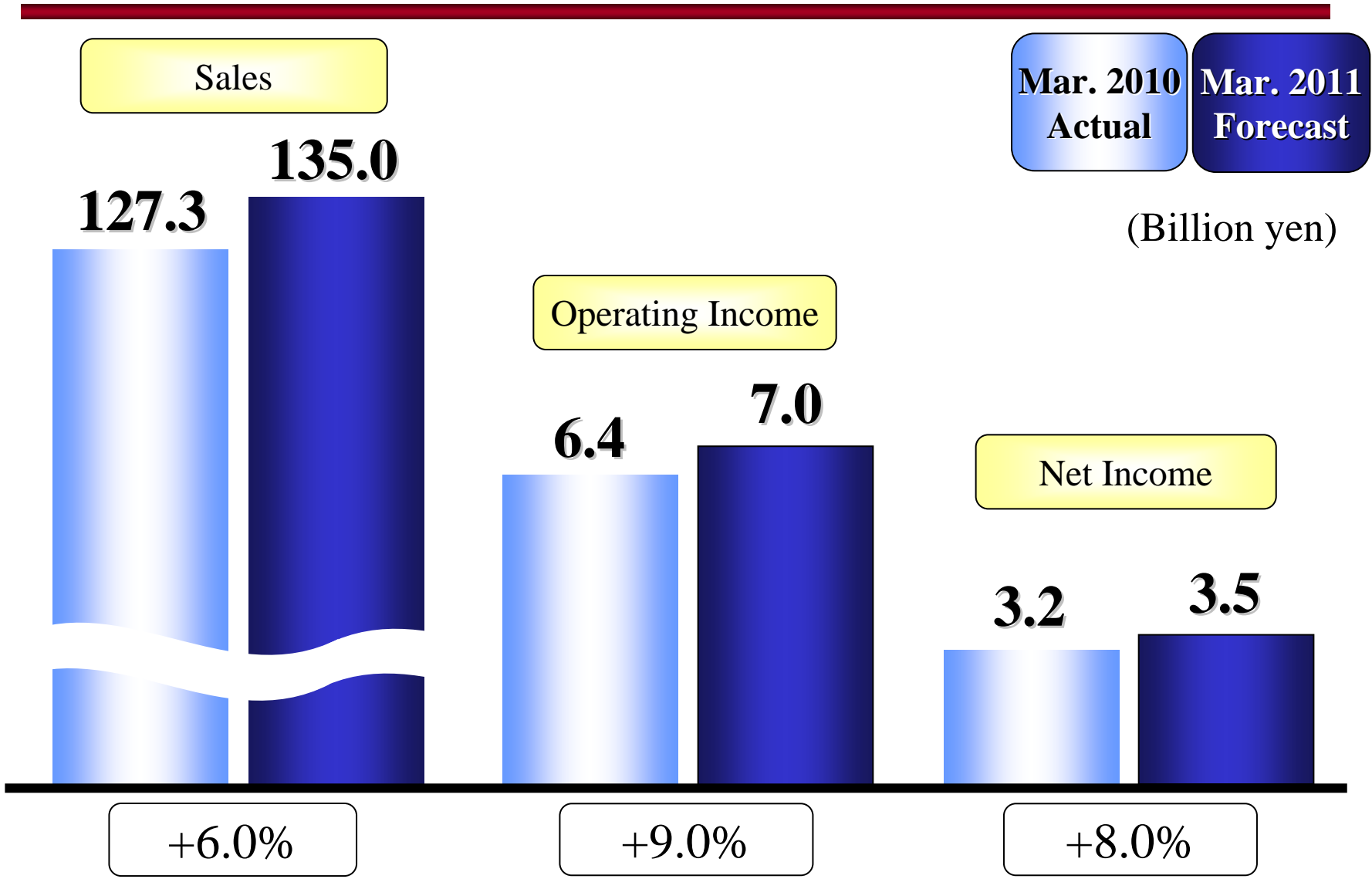
Forecast for FY 2010





Forecast for FY 2010

Consolidated



Medium-Term Management Direction

A horizontal bar with a blue-to-white gradient, positioned below the section header.

- Business Environment
- Corporate Vision
- Corporate Strategies
 - Business Initiatives for FY 2010
- Quantitative Targets

- Continuing sluggish economy
- Progress of industrial reorganization
- Intensified global competition

Global IT company utilizing talents of people
and advantages of the state-of-the art
technologies to promote business value

Pursuing the quality of global standard

Goals

Initiatives

Expand the
revenue base


- Strengthen business screening
- Promote businesses in key areas

Improve
business quality


- Pursue the quality of IT systems
- Enhance outsourcing efficiency

- Initiatives to emphasize talents of people and advantages of the state-of-the art technologies

Strengthen Business Screening



Strengthen
business
screening



Improve management
efficiency



Allocate human resources
and capital to key areas



Initiatives to accelerate
business reorganization



Business Initiatives for FY 2010

Efforts in Key Areas

ProActive business

Global business

Business for financial institutions

Business for trading companies/distributors

New fields



Business Initiatives for FY 2010

Key Initiatives

Packaged software

Services-based businesses

M&A/alliances



Business Initiatives for FY 2010

Measures to Improve Business Quality

Improve quality/technical strategies

Enhance outsourcing efficiency

Initiatives emphasizing human talent and advantages of state-of-the-art technologies

Industrial
position

Top 5

Operating
margin

10% or more

ROE

8% or more



**Global IT company utilizing talents of people
and advantages of the state-of-the art technologies
to promote business value
“Pursuing the quality of global standard”**

Consolidated Results of Operation

Fiscal Year Ended March 2010

April 28, 2010

Tetsuya Fukunaga

Director and Executive Vice President

Sumisho Computer Systems Corporation



住商情報システム株式会社

Sumisho Computer Systems Corporation



Summary of Results

[Consolidated Results]

(Million yen)

	Apr. 2008- Mar. 2009	Apr. 2009- Mar. 2010	Increase/Decrease	
			Amount	Change (%)
Sales	134,263	127,317	△6,946	△ 5.2%
Gross Profit	32,155	29,176	△ 2,978	△ 9.3%
SG&A Expenses	23,126	22,752	△ 374	△ 1.6%
Operating Income	9,028	6,423	△ 2,604	△ 28.8%
Ordinary Income	9,523	7,188	△ 2,334	△ 24.5%
Net Income	3,961	3,242	△ 719	△ 18.2%



Sales Comparison by Solution

[Consolidated Results]

(Million yen)

	Apr. 2008- Mar. 2009 (composition)	Apr. 2009- Mar. 2010 (composition)	Increase/Decrease	
			Amount	Change (%)
Industrial Solutions	66,968 (49.9%)	62,329 (49.0%)	△4,639	△6.9%
ERP Solutions	16,440 (12.2%)	14,850 (11.7%)	△1,589	△9.7%
Platform Solutions	50,854 (37.9%)	50,137 (39.3%)	△717	△1.4%
Total	134,263 (100.0%)	127,317 (100%)	△6,946	△5.2%



Sales Comparison by Segment

[Consolidated Results]

(Million yen)

	Apr. 2008- Mar. 2009 (composition)	Apr. 2009- Mar. 2010 (composition)	Increase/Decrease	
			Amount	Change (%)
Software Development	49,182 (36.6%)	43,376 (34.1%)	Δ5,805	Δ11.8%
Information Processing	35,702 (26.6%)	36,083 (28.3%)	381	1.1%
Packaged Software/ Hardware Sales	49,379 (36.8%)	47,856 (37.6%)	Δ1,522	Δ3.1%
Total	134,263 (100.0%)	127,317 (100%)	Δ6,946	Δ5.2%

[Incoming Orders] Software Development	50,248	44,593	Δ5,655	Δ11.3%
[Backlog] Software Development	7,030	8,247	1,216	17.3%



Sales Comparison by Solution/Segment

[Consolidated Results]

(Million yen)

Apr. 2009-Mar. 2010	Software Development	Information Processing	Packaged Software/ Hardware Sales	Total
Industrial Solutions	30,185	17,130	15,013	62,329
ERP Solutions	10,419	629	3,801	14,850
Platform Solutions	2,771	18,323	29,042	50,137
Total	43,376	36,083	47,856	127,317
Apr. 2008-Mar. 2009	Software Development	Information Processing	Packaged Software/ Hardware Sales	Total
Industrial Solutions	34,782	17,643	14,541	66,968
ERP Solutions	11,775	918	3,746	16,440
Platform Solutions	2,623	17,139	31,091	50,854
Total	49,182	35,702	49,379	134,263
Difference	Software Development	Information Processing	Packaged Software/ Hardware Sales	Total
Industrial Solutions	△4,597	△513	471	△4,639
ERP Solutions	△1,356	△288	54	△1,589
Platform Solutions	147	1,183	△2,049	△717
Total	△5,805	381	△1,522	△6,946



Sales Comparison by Sector

[Consolidated Results]

(Million yen)

	Apr. 2008-Mar. 2009		Apr. 2009-Mar. 2010		Increase/Decrease	
	Amount	Composition	Amount	Composition	Amount	Change (%)
Manufacturers	38,824	28.9%	34,283	26.9%	△4,541	△11.7%
Distributors	28,722	21.4%	30,418	23.9%	1,696	5.9%
Financial Institutions	18,348	13.7%	16,165	12.7%	△2,183	△11.9%
Banks	7,030	5.3%	6,775	5.3%	△255	△3.6%
Securities Firms	3,393	2.5%	2,503	2.0%	△890	△26.2%
Shopping Credit/Leasing Companies	3,217	2.4%	2,390	1.9%	△827	△25.7%
Insurance Companies	4,706	3.5%	4,495	3.5%	△211	△4.5%
Communications/Transportation	20,325	15.1%	19,715	15.5%	△609	△3.0%
Utilities	2,417	1.8%	2,225	1.7%	△191	△7.9%
Services/Others	25,625	19.1%	24,508	19.3%	△1,116	△4.4%
Total	134,263	100.0%	127,317	100.0%	△6,946	△5.2%

* Partial revisions to selected data and changes to sector-specific sales figures for the previous fiscal year



Sales Analysis

Main factors for increase and decrease from April to March (year-on-year)

(Million yen)

Sales	Δ6,900
Factors for increase	+6,000
➤ Platform Solutions for Distributors	+1,900
➤ Change of accounting standards (percentage of completion method)	+4,100
Factors for decrease	Δ12,900
➤ Industrial Solutions for Manufacturers and financial institutions	Δ7,400
➤ ERP Solutions for Distributors	Δ1,300
➤ Platform Solutions for Communications industry (including sales related to network hardware)	Δ2,400
➤ Others (related to the service industry and governmental agencies, and others)	Δ1,300
➤ Accounting effect from the merger with a subsidiary during the previous fiscal year	Δ500



Gross Profit Analysis

Main factors for increase and decrease from April to March (year-on-year)

(Million yen)

Gross Profit	Δ2,980
Factors for increase	+940
➤ Platform Solutions for Distributors	+210
➤ Change of accounting standards (percentage of completion method)	+730
Factors for decrease	Δ3,920
➤ Industrial Solutions for Manufacturers and financial institutions	Δ2,330
➤ ERP Solutions for Distributors	Δ410
➤ Platform Solutions for Communications industry (including sales related to network hardware)	Δ60
➤ Others (related to the service industry and governmental agencies, and others)	Δ890
➤ Accounting effect from the merger with a subsidiary during the previous fiscal year	Δ230



SG&A Expenses Analysis

Main factors for increase and decrease from April to March (year-on-year)

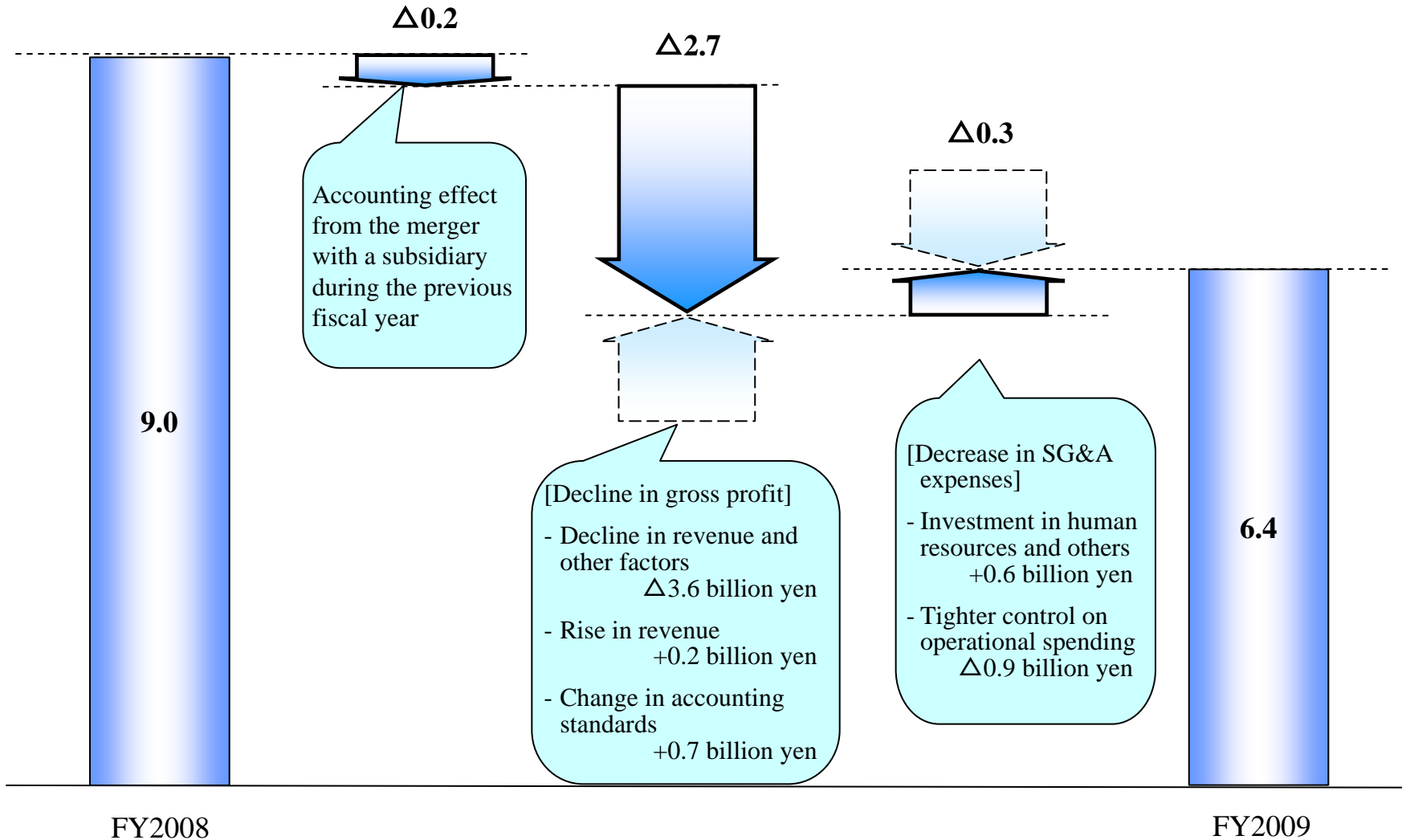
(Million yen)

SG&A Expenses	Δ370
Factors for increase	+620
➤ Costs related to new ERP systems	+240
➤ Pension-related expenses	+330
➤ Investment in human resources	+50
Factors for decrease	Δ990
➤ Tighter control on operational spending (travel and transportation expenses, advertising expenses and outsourcing expenses, etc.)	Δ950
➤ Accounting effect from the merger with a subsidiary during the previous fiscal year	Δ40

Operating Income Analysis

Main factors for increase and decrease from April to March (year-on-year)

(Billion yen)





Disposal / Withdrawal from Investments in Unprofitable Businesses

[Consolidated Results]

(Million yen)

	FY2009 Actual	Effect	Excluding effect
Operating Income	6,423	$\Delta 458$	6,881
Net Income	3,242	$\Delta 841$	4,083



Forecast for FY 2010


[Consolidated Results]

(Million yen)

	Actual results for FY 2009	Results forecast for FY 2010	Increase/Decrease	
			Amount	Change (%)
Sales	127,317	135,000	7,682	6.0%
Gross Profit	29,176	31,000	1,823	6.3%
SG&A Expenses	22,752	24,000	1,247	5.5%
Operating Income	6,423	7,000	576	9.0%
Ordinary Income	7,188	7,200	11	0.2%
Net Income	3,242	3,500	257	8.0%



Forecast for FY 2010 (Sales)

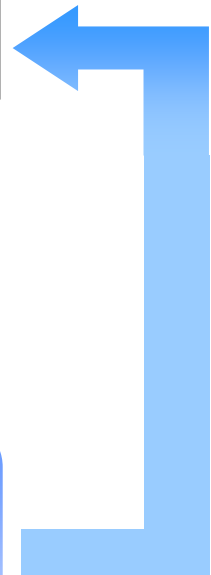
	FY 2009	FY 2010	Increase/ Decrease	(Billion yen)
Sales	127.3	135.0	7.7	
Gross Profit	29.1	31.0	1.9	
SG&A Expenses	22.7	24.0	1.3	
Operating Income	6.4	7.0	0.6	

- Recovery in business for manufacturers and financial institutions
- Recovery in the ERP business



Forecast for FY 2010 (Gross Profit)

	FY 2009	FY 2010	Increase/ Decrease	(Billion yen)
Sales	127.3	135.0	7.7	
Gross Profit	29.1	31.0	1.9	
SG&A Expenses	22.7	24.0	1.3	
Operating Income	6.4	7.0	0.6	



- Increase in gross profits associated with higher sales +1.8 billion yen
- Improvement in gross profit margin + 0.1 billion yen



Forecast for FY 2010 (SG&A Expenses)

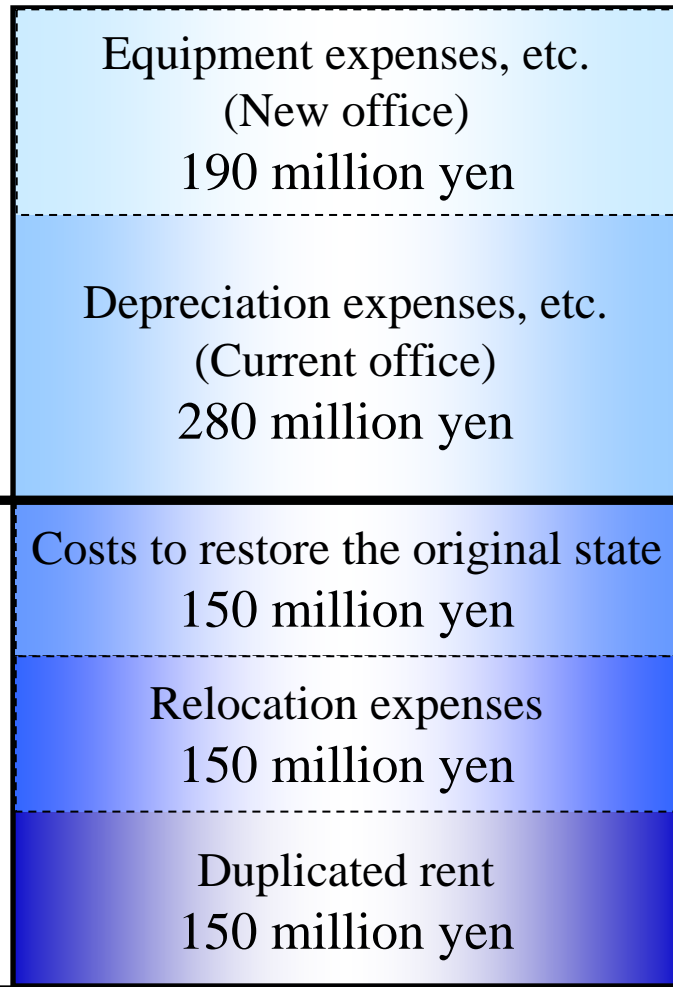
	FY 2009	FY 2010	Increase/ Decrease	(Billion yen)
Sales	127.3	135.0	7.7	
Gross Profit	29.1	31.0	1.9	
SG&A Expenses	22.7	24.0	1.3	
Operating Income	6.4	7.0	0.6	



- Costs related to offices +0.5 billion yen
- Costs related to new ERP systems +0.4 billion yen
- Others (costs for improving business and staff capabilities) +0.4 billion yen



Spending associated with office relocation



SG&A Expenses: 470 million yen

Extraordinary loss: 450 million yen

FY2010



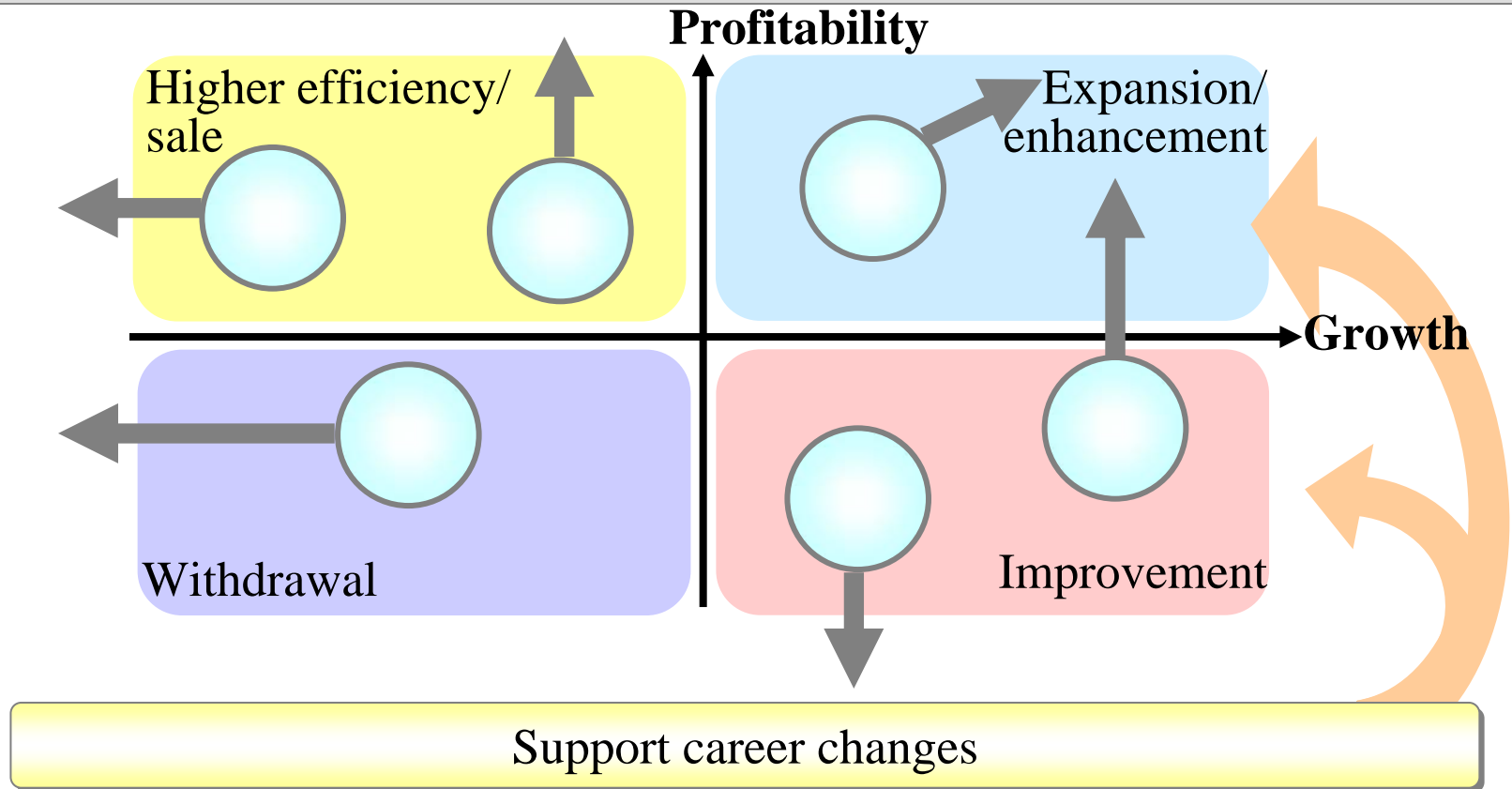
Key initiatives

Strengthen Business Screening

Strengthen Business Screening



Improve management efficiency
Reallocate people and capital to key areas



Themes under discussion

- ProActive business
- Data center business/operation management
- Mutual procurement of IT products

* Eleven themes including the above are under discussion

Your continued support and
encouragement will be
highly appreciated



(For Reference) Press Releases from Jan. to Apr. 2010 (1)

- ProActive**
- Jan. 04, 10** Begins providing an upgraded version of ProActive E2 Managerial Accounting System in January 2010
 - Jan. 21, 10** Begins providing the latest version of ProActive E2 Sales/Purchase Inventory Management System in January 2010
 - Feb. 02, 10** Begins providing the ERP packages ProActive E2 on netXDC cloud-computing infrastructure
 - Mar. 18, 10** The Tokushukai Group, one of Japan's largest medical services, adopts ProActive E2 as a common accounting system for its 66 hospitals and 200 medical facilities
 - Mar. 19, 10** Begins providing the IFRS Application Support Solution which supports the application of the International Financial Reporting Standards (IFRS)
- Cloud Computing**
- Mar. 31, 10** Enters into an alliance with Arcot Systems, Inc. in the United States, for a cloud-computing authentication system



(For Reference) Press Releases from Jan. to Apr. 2010 (2)

Curl	Mar. 15, 10	Curl International Corporation begins providing the latest version of “Curl Development tools for Eclipse,” an enterprise RIA development environment
Server	Feb. 18, 10	Successfully demonstrates a secure platform
Network	Feb. 09, 10	Begins providing a wireless authentication/quarantine solution to achieve a secure high-speed wireless LAN environment
	Feb. 16, 10	Commences sales of Peakflow SP series of Arbor Networks
	Feb. 24, 10	Concludes an agency agreement with Hitachi Information Systems for the sale of PureFlow GS1 series, a high-accuracy bandwidth control system
Middleware	Jan. 20, 10	Concludes a solution partnership agreement with Progress Japan
Others	Feb. 25, 10	Notice of merger of subsidiary (simplified merger)