

Results of Operations for FY 2010 and Outlook for Operations for FY 2011

April 28, 2011

Nobuhide Nakaido

Chairman & CEO

Sumisho Computer Systems Corporation



住商情報システム株式会社

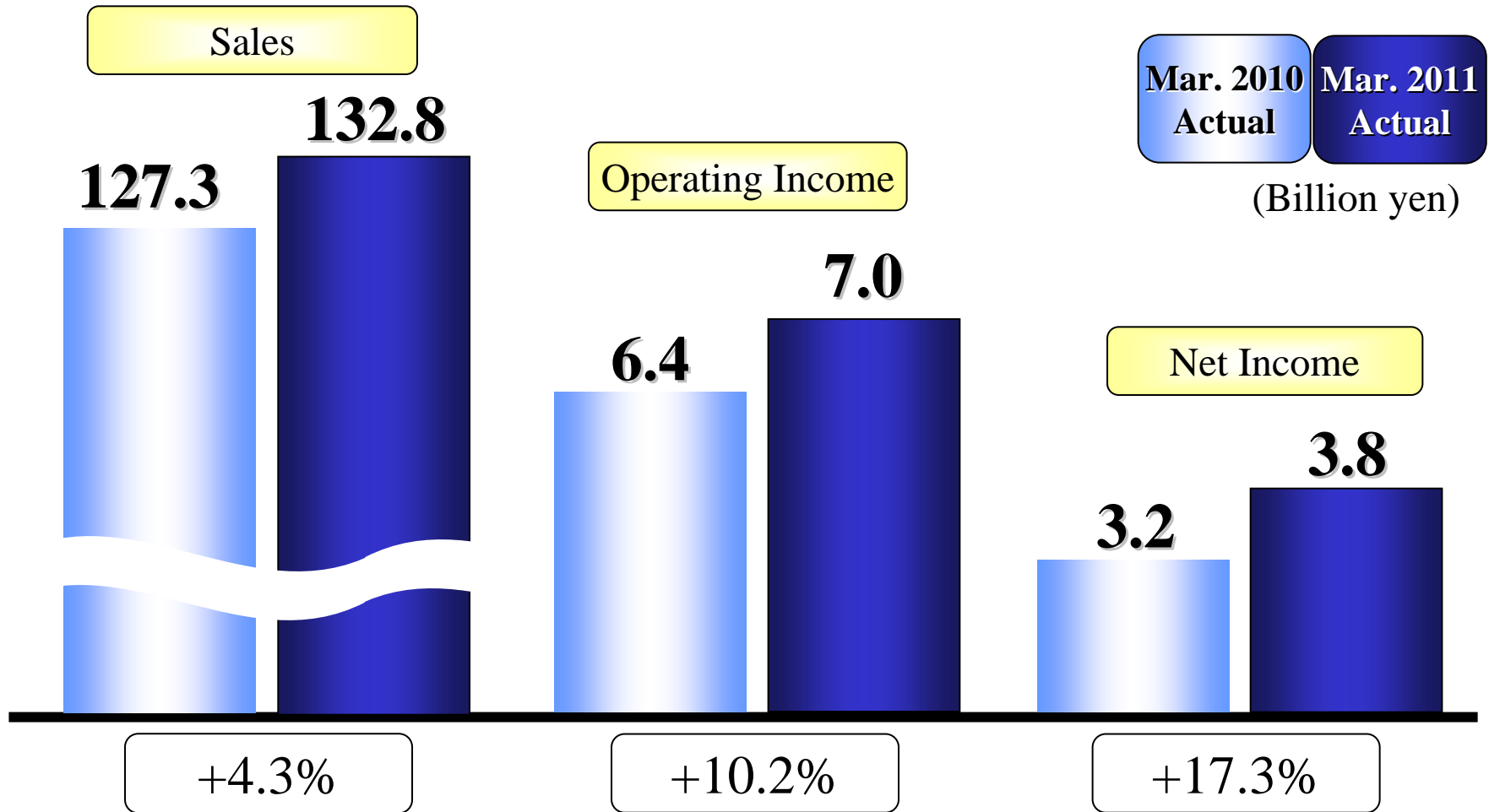
Sumisho Computer Systems Corporation

- Introduction
- Results of Operations for FY 2010
- Business Environment for FY 2011
- Business Strategies for FY 2011
- Financial Forecasts for FY 2011
- Business Merger with CSK



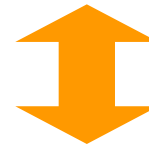
Results of Operations for FY 2010

Consolidated results for FY 2010



Uncertain
business
environment
after the
earthquake

➤ The downward effect on results of operations is expected to be minor.



➤ Prudent and cautious business operations will be required.

➤ **Development of global businesses**

- Set up a company-wide task force.
- Consolidate all teams and divisions related to SAP businesses.
- Establish a internal fund for developing human resources for global businesses.

➤ **Focus on major customers and vendors**

- Assign officers and managers to reinforce business ties with major customers.
- Conduct customer satisfaction survey.

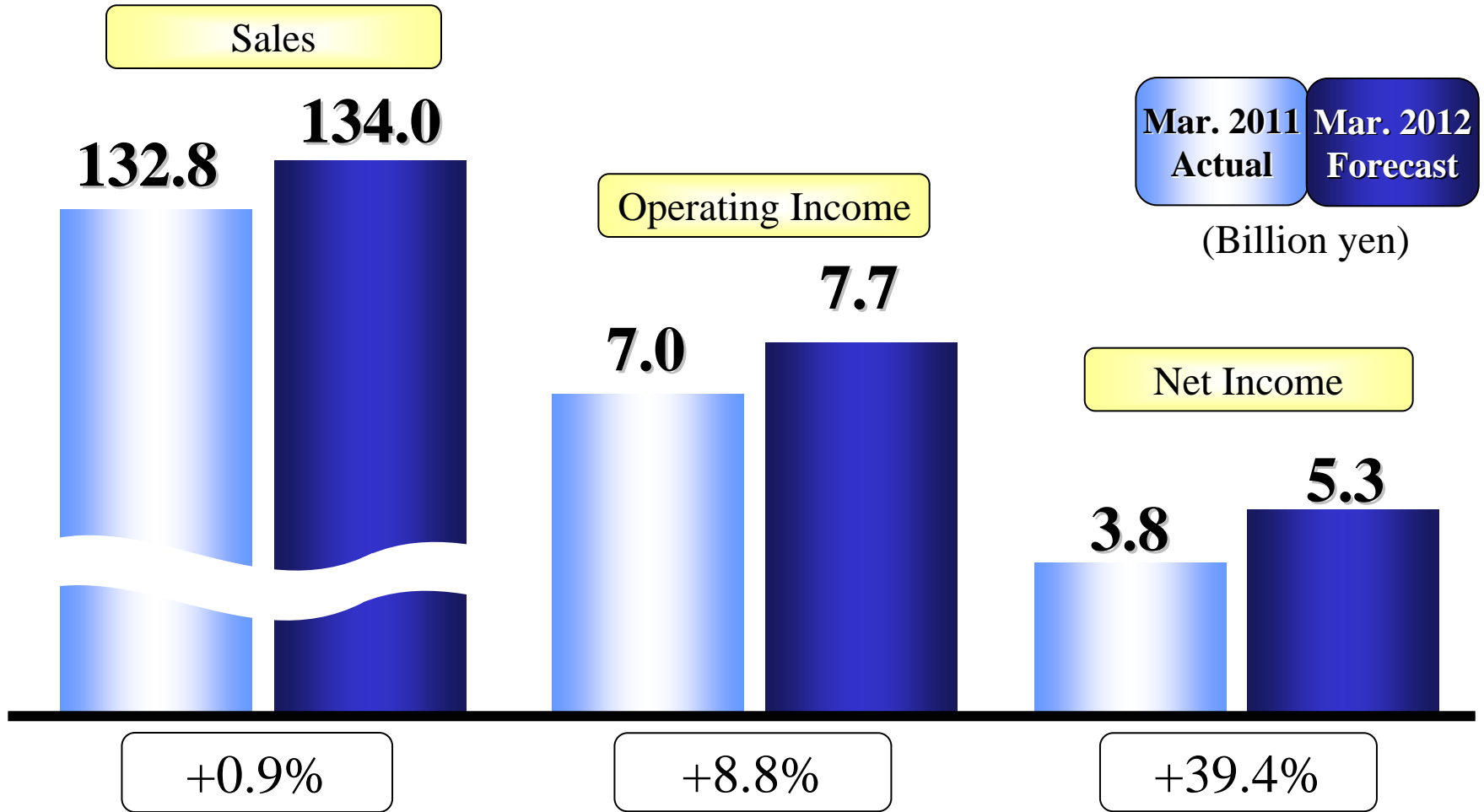
➤ **Promotion of cloud solutions**

- Invest in our data centers to expand our operating base in the era of cloud computing.



Financial Forecasts for FY 2011

Consolidated forecasts for FY 2011



Business Merger with CSK

Results of Operations for FY 2010 and Financial forecast for FY 2011

April 28, 2011

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 (Full Year)

[Consolidated Results]

(Million yen)

	Apr. 2009 – Mar. 2010	Apr. 2010 – Mar. 2011	Increase/Decrease	
			Amount	Change (%)
Sales	127,317	132,840	5,523	4.3%
Gross Profit	29,176	29,048	△128	△0.4%
SG&A Expenses	22,752	21,971	△780	△3.4%
Operating Income	6,423	7,076	652	10.2%
Ordinary Income	7,188	7,343	155	2.2%
Net Income	3,242	3,803	561	17.3%



Summary of Results (Fourth Quarter)

[Consolidated Results]

(Million yen)

	Jan. 2010 – Mar. 2010	Jan. 2011 – Mar. 2011	Increase/Decrease	
			Amount	Change (%)
Sales	36,134	39,250	3,116	8.6%
Gross Profit	8,558	8,906	348	4.1%
SG&A Expenses	5,319	5,431	112	2.1%
Operating Income	3,238	3,475	236	7.3%
Ordinary Income	3,248	3,545	296	9.1%
Net Income	1,511	1,633	122	8.1%



Sales Comparison by Segment

[Consolidated Results]

(Million yen)

	Apr. 2009 – Mar. 2010 (composition)	Apr. 2010 – Mar. 2011 (composition)	Increase/Decrease	
			Amount	Change (%)
Software Development	43,376 (34.1%)	45,964 (34.6%)	2,587	6.0%
Information Processing	36,083 (28.3%)	37,286 (28.1%)	1,202	3.3%
Packaged Software/ Hardware Sales	47,856 (37.6%)	49,589 (37.3%)	1,732	3.6%
Total	127,317 (100%)	132,840 (100%)	5,523	4.3%

[Incoming Orders] Software Development	44,593	46,211	1,618	3.6%
[Backlog] Software Development	8,247	8,494	247	3.0%



Sales Comparison by Solution

[Consolidated Results]

(Million yen)

	Apr. 2009 – Mar. 2010 (composition)	Apr. 2010 – Mar. 2011 (composition)	Increase/Decrease	
			Amount	Change (%)
Industrial Solutions	62,329 (49.0%)	68,807 (51.8%)	6,478	10.4%
ERP Solutions	14,850 (11.7%)	14,725 (11.1%)	Δ125	Δ0.8%
Platform Solutions	50,137 (39.3%)	49,306 (37.1%)	Δ830	Δ1.7%
Total	127,317 (100%)	132,840 (100%)	5,523	4.3%



Sales Comparison by Solution/Segment

[Consolidated Results]

(Million yen)

Apr. 2010 - Mar. 2011	Software Development	Information Processing	Packaged Software / Hardware Sales	Total
Industrial Solutions	32,638	18,337	17,831	68,807
ERP Solutions	10,847	683	3,194	14,725
Platform Solutions	2,477	18,265	28,563	49,306
Total	45,964	37,286	49,589	132,840

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

Difference	Software Development	Information Processing	Packaged Software / Hardware Sales	Total
Industrial Solutions	2,453	1,207	2,818	6,478
ERP Solutions	428	53	△606	△125
Platform Solutions	△293	△58	△478	△830
Total	2,587	1,202	1,732	5,523



Sales Comparison by Sector

[Consolidated Results]

(Million yen)

	Apr. 2009 – Mar. 2010		Apr. 2010 – Mar. 2011		Increase/Decrease	
	Amount	Composition	Amount	Composition	Amount	Change
Manufacturers	34,742	27.3%	32,224	24.3%	$\Delta 2,517$	$\Delta 7.2$
Distributors	30,478	23.9%	33,288	25.1%	2,810	9.2
Financial Institutions	15,997	12.6%	17,878	13.5%	1,881	11.8
Banks	6,700	5.3%	6,592	5.0%	$\Delta 108$	$\Delta 1.6$
Securities Firms	2,307	1.8%	1,843	1.4%	$\Delta 464$	$\Delta 20.1$
Shopping Credit/ Leasing Companies	2,501	2.0%	4,554	3.4%	2,053	82.1
Insurance Companies	4,487	3.5%	4,888	3.7%	400	8.9
Communications/ Transportation	19,326	15.2%	18,936	14.2%	$\Delta 390$	$\Delta 2.0$
Utilities	2,225	1.7%	2,049	1.5%	$\Delta 176$	$\Delta 7.9$
Services/Others	24,545	19.3%	28,462	21.4%	3,916	16.0
Total	127,317	100%	132,840	100%	5,523	4.3

* We made a partial amendment in previously disclosed data.



Sales Analysis

Details of increase and decrease from April to March (year-on-year)

		(Million yen)
Sales		+5,500
Details of increase		+9,600
➤ Industrial Solutions for - Distributors - Financial institutions		+2,600 +2,600
➤ Service industry, academic institutions and governmental agencies		+4,400
Details of decrease		Δ4,100
➤ Manufacturers		Δ2,500
➤ Platform Solutions for - Distributors		Δ500
➤ FY2009 disposal/withdrawal from investments in unprofitable businesses		Δ700
➤ Others		400



Gross Profit Analysis

Details of increase and decrease from April to March (year-on-year)

		(Million yen)
Gross Profit		Δ130
Details of increase		+1,460
➤ Industrial Solutions for - Distributors - Financial institutions		+180 +560
➤ Platform Solutions for - Distributors		+430
➤ Service industry, academic institutions and governmental agencies		+290
Details of decrease		Δ1,590
➤ Manufacturers		Δ1330
➤ FY2009 disposal/withdrawal from investments in unprofitable businesses		Δ260



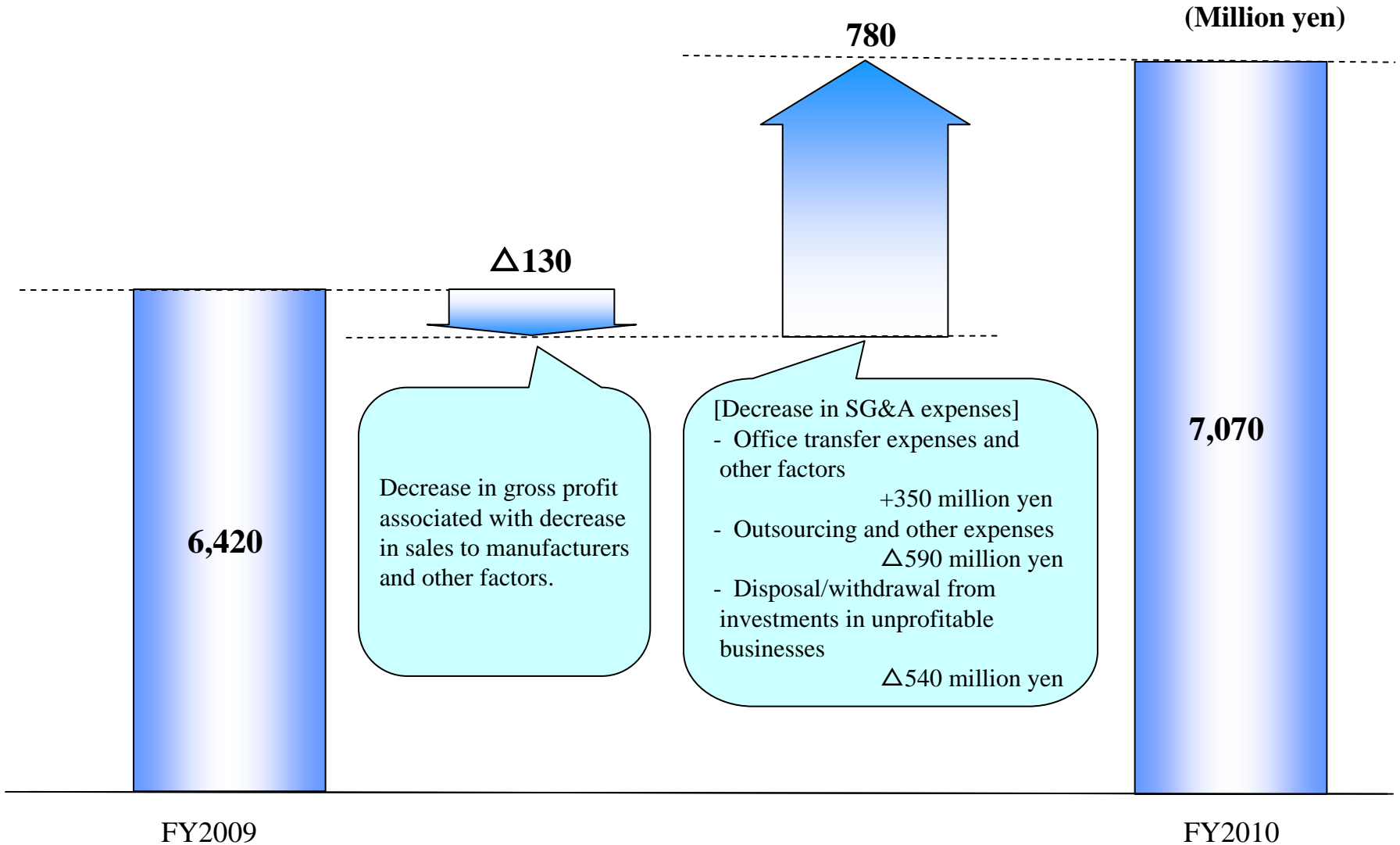
SG&A Expenses Analysis

Details of increase and decrease from April to March (year-on-year)

		(Million yen)
SG&A Expenses		Δ780
Details of increase		+350
➤ Office transfer expenses		+200
➤ Others (expenses for business enhancement and staff capabilities)		+150
Details of decrease		Δ1,130
➤ Expenses related to our own ERP systems		Δ110
➤ Outsourcing expenses and R&D expenses		Δ480
➤ FY2009 disposal/withdrawal from investments in unprofitable businesses		Δ540

Operating Income Analysis

Details of increase and decrease from April to March (year-on-year)



SCS External Sales & Operating Income by Reported Segment based on Management Approach

			(Million yen)
Solutions	Reported Segment	Description	2010/4-2011/3 External sales Operating income
Industrial Solutions	Distribution & Manufacturing System Solution Business	Provides IT services that meet the industry-specific system needs mainly for distributors and manufacturers.	36,574
			2,022
ERP Solutions	Financial System & ERP Solution Business	Provides IT services that meet the system needs that are specific to financial institutions and provides clients with IT services on ERP systems including “ProActive”, the Company’s proprietary ERP packaged software and other ERP packaged software.	26,240
			708
Platform Solutions	Global Solution Business	Provides IT services that leverage our overseas network to our global clients, including Sumitomo Corporation Group, that expand their operations worldwide.	13,641
	IT Platform Solution Business	Provides IT platform development & operation services, from the design, development and maintenance of clients’ IT infrastructure operations using data centers.	48,337
			3,248
Others	Provides IT services to our clients through our branch offices in Japan and other services.	8,046	
Overall Company			132,840
			7,076

*Reported Segments are based on the revised Accounting standards on disclosure of segment information.

*Total operating income by new segment of 7,076 million yen includes unallocated general corporate expenses of Δ636 million yen.



Financial forecasts for FY 2011

[Consolidated Results]

(Million yen)

	Actual results for FY2010	Forecast for FY 2011	Increase/Decrease	
			Amount	Change (%)
Sales	132,840	134,000	1,160	0.9%
Gross Profit	29,048	30,200	1,152	4.0%
SG&A Expenses	21,971	22,500	529	2.4%
Operating Income	7,076	7,700	624	8.8%
Ordinary Income	7,343	9,600	2,257	30.7%
Net Income	3,803	5,300	1,497	39.4%



Financial forecasts for FY 2011 (Sales)

	FY 2010	FY 2011	Increase/ Decrease	(Billion yen)
Sales	132.8	134.0	1.2	
Gross Profit	29.0	30.2	1.2	
SG&A Expenses	21.9	22.5	0.6	
Operating Income	7.0	7.7	0.7	

The effect of the earthquake is limited.

The business initiatives for FY 2011 below will be promoted.

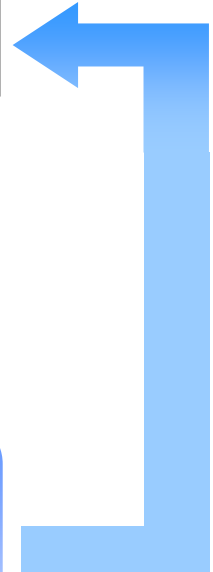
- Global businesses
- Cloud solutions
- BCP/DR-related solutions

*The amounts are rounded down to the nearest 100 million yen.



Forecast for FY 2011 (Gross Profit)

	FY 2010	FY 2011	Increase/ Decrease	(Billion yen)
Sales	132.8	134.0	1.2	
Gross Profit	29.0	30.2	1.2	
SG&A Expenses	21.9	22.5	0.6	
Operating Income	7.0	7.7	0.7	



- Increase in gross profit associated with higher sales: +0.3 billion yen
- Improvement in gross profit margin: +0.9 billion yen

*The amounts are rounded down to the nearest 100 million yen



Forecast for FY 2011(SG&A Expenses)

	FY 2010	FY 2011	Increase/ Decrease	(Billion yen)
Sales	132.8	134.0	1.2	
Gross Profit	29.0	30.2	1.2	
SG&A Expenses	21.9	22.5	0.6	
Operating Income	7.0	7.7	0.7	



- Fund for developing global talent: +0.2 billion yen
- Expenses for business enhancement (including marketing expenses): +0.3 billion yen
- Others (including expenses for the efforts to enhance employees' health) : +0.1 billion yen

*The amounts are rounded down to the nearest 100 million yen.

Your continued support and
encouragement will be
highly appreciated.



(For Reference) Press Releases from Jan. to Apr. 2011

ProActive	Jan. 31, 11	The ERP package ProActive E² is adapted to the virtualization software VMware.
Curl	Jan. 26, 11	Begins providing the latest version of Curl Development tools for Eclipse
	Feb. 22, 11	Adopts rich client Curl for a data collection and analysis system for a next-generation electric vehicle project “Development of technology for an automotive battery performance assessment method” for the Japan Automobile Research Institute
Storage	Feb 1, 11	Begins selling the V-3000 series, a semiconductor storage system made by Violin Memory
Others	Feb. 24, 11	Notice regarding the commencement of a tender offer of the shares, etc. of CSK Corporation
	Feb. 24, 11	Notice regarding Sumisho Computer Systems Corporation and CSK Corporation entering into a merger agreement
	Mar. 16, 11	Notice regarding aid relating to damage caused by the Tohoku – Pacific Earthquake
	Apr. 12, 11	Provides Google Apps for Business for free as part of aid for restoration of areas affected by the earthquake
	Apr. 22, 11	The University e-Learning Association, Nifty, and Sumisho Computer Systems Corporation begin providing an advanced education base using the Internet to support colleges affected by the earthquake