



MEMBERSHIP
October 31, 2011

Consolidated Financial Results for the Second Quarter Ended September 30, 2011

(Japanese GAAP)

Company name: SCSK CORPORATION(CSK CORPORATION)
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(Amounts of less than one million are rounded down.)

1. Consolidated Financial Results for the Second Quarter Ended September 30, 2011 (April 1, 2011 through September 30, 2011)

(1) Consolidated operating results (% represents the change from the same period in the previous fiscal year)

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2011	68,379	0.3	4,048	84.7	3,836	735.5	2,275	—
Six months ended September 30, 2010	68,156	(19.4)	2,192	—	459	—	(7,815)	—

Note) Comprehensive Income

Second Quarter Ended September 30, 2011: 2,238 million yen Second Quarter Ended September 30, 2010: (8,004) million yen

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2011	13.31	4.73
Six months ended September 30, 2010	(62.16)	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
As of September 30, 2011	156,357	16,177	7.3
As of Mar. 31, 2011	180,862	11,054	3.3

Reference) Shareholders' equity

As of September 30, 2011: 11,390 million yen As of Mar. 31, 2011: 5,942 million yen

2. Dividends

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal Year 2011	—	0.00	—	0.00	0.00
Fiscal Year 2012	—	0.00	—	—	—
Fiscal Year 2012 (forecast)	—	—	—	—	—

Note) On October 1, 2011, Sumisho Computer Systems Corporation merges with CSK Corporation, with SCS as the surviving company and the new company name is SCSK Corporation.

3. Forecast of consolidated operating results for Fiscal Year 2012 (Apr. 1, 2011 through Mar. 31, 2012)

(% represents the change from the same period in the previous fiscal year)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full-year	—	—	—	—	—	—	—	—	—

Note) On October 1, 2011, Sumisho Computer Systems Corporation merges with CSK Corporation, with SCS as the surviving company and the new company name is SCSK Corporation.

4. Others

- (1) Significant changes in scope of consolidation: None

Note: This section shows whether or not there is a change in Specified Subsidiaries that led to the change of the consolidated scope during the current quarter.

- (2) Adoption of simplified method or specific method to quarterly financial statement in accounting procedure: None

Note: This section shows the use of any simplified accounting methods, or the use of any particular accounting methods for quarterly consolidated financial statements.

- (3) Changes in accounting policies, estimates ,retrospective restatement

① Changes in accounting policies due to the revision of accounting standards: None

② Changes due to reasons other than ① : None

③ Changes in accounting estimates : None

④ Retrospective restatement : None

Note: This section shows changes to accounting policies, estimates and restatement that are described in Japanese regulations as “Alterations on significant issues that are the basis of the preparation for quarterly financial accounting statements”.

- (4) Number of shares issued (common stock)

① Number of shares issued (including treasury stock)

② Number of treasury stock

③ Average number of shares issued

Accounting period	Shares	Accounting period	Shares
FY2012 2 nd Quarter	173,747,714	FY2011	149,747,714
FY2012 2 nd Quarter	18,727	FY2011	16,015
FY2012 2 nd Quarter	170,976,556	FY2011 2 nd Quarter	125,735,168

※Explanation regarding the appropriate use of forecasts of business results

On October 1, 2011, Sumisho Computer Systems Corporation merges with CSK Corporation, with SCS as the surviving company and the new company name is SCSK Corporation.

(Accompanying Materials)

Consolidated Financial Statements and Others

(1) Consolidated Balance Sheets

(millions of yen)

	Fiscal year 2011 (As of Mar. 31, 2011)	Fiscal year 2012 2nd quarter (As of Sept. 30, 2011)
Assets		
Current assets		
Cash and time deposits	49,972	32,948
Notes and accounts receivable	23,034	21,197
Marketable securities	8,995	2,240
Inventories	1,987	3,146
Short term loans receivable	17,351	17,340
Other current assets	12,026	9,316
Allowance for doubtful accounts	(10,800)	(10,771)
Total current assets	102,568	75,418
Fixed assets		
Tangible fixed assets	23,228	22,307
Intangible fixed assets		
Other intangible fixed assets	2,284	2,232
Total intangible fixed assets	2,284	2,232
Investments and other assets		
Investments in securities	41,105	45,761
Other assets	12,009	10,922
Allowance for doubtful accounts	(332)	(284)
Total investments and other assets	52,781	56,339
Total fixed assets	78,293	80,939
Total assets	180,862	156,357

(millions of yen)

	Fiscal year 2011 (As of Mar. 31, 2011)	Fiscal year 2012 2nd quarter (As of Sept. 30, 2011)
Liabilities		
Current liabilities		
Accounts payable	5,366	4,862
Current portion of convertible bonds payable	21,792	—
Current portion of long-term loans payable	10,063	10,031
Accrued income taxes	841	666
Deposits received of prepaid cards	57,854	56,875
Accrued bonuses to employees	3,915	4,474
Accrued bonuses to directors	7	15
Allowance for anticipated losses on contracts	79	74
Other current liabilities	13,071	11,225
Total current liabilities	<u>112,992</u>	<u>88,226</u>
Long-term liabilities		
Convertible bonds payable	35,000	35,000
Long-term bank loans payable	19,860	14,860
Accrued employees' retirement benefits	104	111
Accrued directors' retirement benefits	25	25
Other long-term liabilities	1,825	1,955
Total long-term liabilities	<u>56,814</u>	<u>51,952</u>
Total liabilities	<u>169,807</u>	<u>140,179</u>
Net assets		
Shareholders' equity		
Capital stock	97,811	99,459
Capital surplus	55,349	56,997
Retained earnings	(147,265)	(145,049)
Treasury stock, at cost	(11)	(11)
Total shareholders' equity	<u>5,884</u>	<u>11,394</u>
Accumulated other comprehensive income		
Net unrealized gains (losses) on securities	58	(2)
Foreign currency translation adjustment	-	(2)
Total accumulated other comprehensive income	<u>58</u>	<u>(4)</u>
Subscription rights to shares	295	-
Minority interests	4,816	4,787
Total net assets	<u>11,054</u>	<u>16,177</u>
Total liabilities and net assets	<u>180,862</u>	<u>156,357</u>

(2) Consolidated Statements of Operations and Comprehensive Income
Consolidated Statements of Operations

(millions of yen)

	Fiscal year 2011 From Apr. 1, 2010 To Sept. 30, 2010	Fiscal year 2012 From Apr. 1, 2011 To Sept. 30, 2011
Operating revenue	68,156	68,379
Operating costs	52,054	52,699
Gross profits	16,101	15,679
Selling, general and administrative expenses	13,909	11,631
Operating income	2,192	4,048
Non-operating income		
Interest income	55	26
Dividend income	33	44
Hoard profit of prepaid card	575	517
Gain on sales of investment securities	111	417
Others	335	333
Total non-operating income	1,112	1,340
Non-operating expenses		
Interest expenses	498	412
Provision of allowance for doubtful accounts	1,753	-
Others	593	1,139
Total non-operating expenses	2,845	1,551
Ordinary income	459	3,836
Extraordinary gains		
Gain on sales of investment securities	-	1
Reversal of allowance for doubtful accounts	51	-
Others	17	-
Total extraordinary gains	69	1
Extraordinary losses		
Loss on impairment of fixed asset	17	150
Loss on sales of investment securities	-	156
Loss on write-down of investments in securities	76	391
Merger expenses	-	129
Loss on withdrawal from securities business	8,904	-
Others	957	-
Total extraordinary losses	9,956	827
Income(Loss) before income taxes and minority interests	(9,427)	3,010
Income taxes : Current	683	381
Income taxes : Deferred	(2,354)	329
Total income taxes	(1,671)	711
Income(Loss) before minority interests	(7,756)	2,299
Minority interests in income	59	24
Net income(loss)	(7,815)	2,275

Consolidated Statements of Comprehensive Income

(millions of yen)

	Fiscal year 2011 From Apr. 1, 2010 To Sept. 30, 2010	Fiscal year 2012 From Apr. 1, 2011 To Sept. 30, 2011
Income(Loss) before minority interests	(7,756)	2,299
Other comprehensive income		
Net unrealized holding gains(losses) on securities	(247)	(61)
Foreign currency translation adjustments	-	0
Total other comprehensive income	(247)	(61)
Comprehensive income	(8,004)	2,238
<breakdown>		
Comprehensive income attributable to owners of parent	(8,066)	2,214
Comprehensive income attributable to minority interests	62	23

(3) Consolidated Statements of Cash Flows

(millions of yen)

	For the six months ended Sept 30, 2010	For the six months ended Sept 30, 2011
Cash flows from operating activities		
Income (Loss) before income taxes and minority interests	(9,427)	3,010
Depreciation	2,245	2,049
Loss on impairment of fixed asset	17	150
Amortization of goodwill	68	-
Increase (decrease) in allowances and decrease (increase) in prepaid pension costs	1,679	486
Interest and dividend income	(89)	(71)
Interest expenses	504	412
Loss on withdrawal from securities business	8,904	-
Decrease (increase) in accounts receivable	4,965	1,841
Decrease (increase) in inventories	(501)	(1,158)
Increase (decrease) in accounts payable	(2,118)	(504)
Increase (decrease) in deposits received of prepaid cards	826	(979)
Decrease (increase) in venture capital investments	166	-
Other net	(1,517)	2,051
Subtotal	5,725	7,289
Interest and dividends income received	60	139
Interest expenses paid	(482)	(480)
Income taxes paid	1,069	565
Net cash used in operating activities	6,373	7,514
Cash flows from investing activities		
Decrease (increase) in time deposit, net	(6)	(100)
Net proceeds from sales, redemption and purchases of marketable securities	10,227	0
Purchases of property and equipment	(367)	(1,741)
Proceeds from sales and equipment	18	291
Purchases of intangible assets	(463)	(509)
Purchases of investments in securities	(15,543)	(7,361)
Proceeds from sales and redemption of investments in securities	1,445	8,646
Net decrease (increase) in short-term loans receivable	5,089	13
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	3,006	-
Other net	(0)	320
Net cash provided by (used in) investing activities	3,406	(440)
Cash flows from financing activities		
Cash dividends paid	(12,531)	(5,031)
Redemption of bonds with subscription rights to shares	-	(21,792)
Proceeds from issuance of common stock	1,210	3,000
Other net	(121)	(306)
Net cash provided by financing activities	(11,442)	(24,129)
Effect of exchange rate changes on cash and cash equivalents	(1)	(3)
Net increase (decrease) in cash and cash equivalents	(1,665)	(17,059)
Cash and cash equivalents, at beginning	43,394	48,772
Increase in cash and cash equivalents from newly consolidated subsidiary	-	33
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(1,404)	(98)
Cash and cash equivalents, at end	40,324	31,648

(4) Segment Information (Consolidated)

Information by Reportable segments

1 Net sales and segment income or loss of reportable segments

(millions of yen)

	For the six months period ended Sept. 30, 2010								
	Reportable Segments					Other Note 1	Total	Elimination and corporation Note 2	Consolidated Note 3
	BPO	IT- Management	Systems- Integration	Prepaid- Card	Total				
Operating revenue:									
Outside customers	15,306	16,570	34,108	1,715	67,701	455	68,156	-	68,156
Inter-segment sales/transfers	523	625	157	76	1,383	-	1,383	(1,383)	-
Total	15,830	17,196	34,265	1,791	69,084	455	69,539	(1,383)	68,156
Operating income(loss)	158	1,176	2,366	337	4,039	(231)	3,807	(1,615)	2,192

Notes: 1 "Other" represents categories of businesses that are not included in reportable segments, and includes investments in venture companies and investment trust managements.

2 Amounts in the column "Elimination and corporation of Operating income (loss)" of ¥(1,615) million represents Group's management revenue of ¥869 million, and corporate expense of ¥(2,751) million that was not allocated to reportable segments. The expense was management expenses for group companies incurred at CSK (the Company).

3 Segment income (loss) is adjusted with operating income in the consolidated statements of income.

(millions of yen)

	For the six months period ended Sept. 30, 2011						
	Reportable Segments					Elimination and corporation Note 1	Consolidated Note 2
	BPO	IT-Management	Systems- Integration	Prepaid- Card	Total		
Operating revenue:							
Outside customers	15,151	17,171	34,418	1,638	68,379	-	68,379
Inter-segment sales/transfers	617	758	317	115	1,808	(1,808)	-
Total	15,768	17,929	34,736	1,753	70,187	(1,808)	68,379
Operating income(loss)	(18)	1,751	3,488	386	5,607	(1,559)	4,048

Notes: 1 Amounts in the column "Elimination and corporation of Operating income (loss)" of ¥(1,559) million represents corporate expense of ¥(1,593) million that was not allocated to reportable segments. The expense was management expenses for group companies incurred at the Company.

2 Segment income (loss) is adjusted with operating income in the consolidated statements of income.

2 Matters related to changes in reportable segments

Structural reforms have been carried out during the First Quarter of fiscal year 2012. As a result, Cloud Business Division, which belonged to the Systems-Integration segment, transferred to IT-Management segment, and Business Service Division, which also belonged to the Systems-Integration segment, transferred to BPO segment.

The segment information for the Second Quarter of fiscal year 2011 was prepared based on the reportable segment that is used for reporting for the Second Quarter of fiscal year 2012.

(5) Note for material changes in Shareholder's Equity

Sumisho Computer Systems Corporation, together with Sumitomo Corporation completed a tender offer for the Shares, etc. of the Company (the "Tender Offer") undertaken during the purchase period from March 10, 2011 through April 11, 2011, and Sumitomo Corporation acquired the 7th series subscription rights to shares (issued September 30, 2009) owned by ACA INVESTMENTS PTE, LTD and as of April 22 2011, Sumitomo Corporation exercised all the rights.

As a consequence, increase of capital stock and capital surplus was ¥1,647 million respectively during the Second Quarter of fiscal year 2012 and capital stock and capital surplus were ¥99,459 million and ¥56,997 million respectively at the end of the Second Quarter of fiscal year 2012.