

Results of Operations (Consolidated) of 1st Quarter of Fiscal Year Ending March 2009

July 28, 2008

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Sumisho Computer Systems Corporation



Summary of results of operations (1Q)

[Consolidated]

(Yen in Millions)

	Apr.2007-Jun.2007	Apr.2008-Jun.2008	Increase/Decrease	Rate of Change (%)
Sales	27,487	29,779	2,291	8.3%
Gross Profit	5,847	6,710	863	14.8%
SG&A Expenses	5,497	5,859	361	6.6%
Operating Income	349	851	501	143.6%
Ordinary Income	437	975	537	123.0%
Net Income	176	514	337	191.8%



Sales comparison by solution (1Q)

[Consolidated]

(Yen in Millions)

	Apr.2007-Jun.2007 (Percentage of Total: %)	Apr.2008-Jun.2008 (Percentage of Total: %)	Increase/Decrease	Rate of Change (%)
Industrial Solutions	15,351 (55.9%)	14,574 (48.9%)	△777	△5.1%
ERP Solutions	3,168 (11.5%)	3,874 (13.0%)	705	22.3%
Platform Solutions	8,966 (32.6%)	11,329 (38.1%)	2,363	26.4%
Total	27,487 (100.0%)	29,779 (100.0%)	2,291	8.3%



Sales comparison by segment (1Q)

[Consolidated]

(Yen in Millions)

	Apr.2007-Jun.2007 (Percentage of Total: %)	Apr.2008-Jun.2008 (Percentage of Total: %)	Increase/Decrease	Rate of Change (%)
Software Development	9,493 (34.5%)	9,809 (32.9%)	316	3.3%
Information Processing	8,195 (29.8%)	8,484 (28.5%)	288	3.5%
Package Software and Hardware Sales	9,798 (35.7%)	11,485 (38.6%)	1,686	17.2%
Total	27,487 (100.0%)	29,779 (100.0%)	2,291	8.3%

[Orders Accepted] Software Development	14,747	16,256	1,508	10.2%
[Backlog] Software Development	12,283	12,410	127	1.0%



Sales by solution / segment (1Q)

[Consolidated]

(Yen in Millions)

	Software Development	Information Processing	Package Software and Hardware Sales	Total (Percentage of Total: %)
Industrial Solutions	7,123	4,651	2,799	14,574 (48.9%)
ERP Solutions	2,255	158	1,461	3,874 (13.0%)
Platform Solutions	431	3,673	7,224	11,329 (38.0%)
Total (Percentage of Total: %)	9,809 (32.9 %)	8,484 (28.5%)	11,485 (38.6 %)	29,779 (100.0%)



Sales comparison by sector (1Q)

[Consolidated]

(Yen in Millions)

	Apr.2007-Jun.2007		Apr.2008-Jun.2008		Increase/Decrease	
	Amount	Percentage of Total (%)	Amount	Percentage of Total (%)	Amount	Rate of Change(%)
Manufacturers	7,819	28.4%	7,321	24.6%	△498	△6.4%
Distributors	5,767	21.0%	6,474	21.7%	707	12.3%
Financial Institutions	3,432	12.5%	3,619	12.2%	186	5.4%
Banks	1,275	4.6%	1,150	3.9%	△125	△9.8%
Securities Firm	955	3.5%	984	3.3%	29	3.0%
Leasing Companies	496	1.8%	593	2.0%	97	19.6%
Insurance Companies	704	2.6%	890	3.0%	185	26.4%
Communications/ Transportation	4,639	16.9%	4,892	16.4%	253	5.5%
Utilities	314	1.1%	249	0.8%	△64	△20.6%
Services/Others	5,514	20.1%	7,222	24.3%	1,707	31.0%
Total	27,487	100.0%	29,779	100.0%	2,291	8.3%

*Sales amount in Manufacturers, Banks, and Services/Others is partially amended in the previous FY.



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

(Yen in Millions)

◆ Sales		2,300
Factors for increase		3,300
ERP Solutions	Related to software vendor business	500
Platform Solutions	HPC large project	1,500
	Network equipment related business	600
Others		200
Increase on a consolidated basis due to the business restructuring of subsidiaries		500
Factors for decrease		△ 1,000
Industrial Solutions	Large project for server integration	△ 700
Others		△ 200
Related to business transfer		△ 100



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

(Yen in Millions)

◆ Gross profit

860

Factors for increase

860

Unprofitable projects ($\Delta 0.3 \rightarrow \Delta 0.2$)

10

ERP Solutions

Related to software vendor business

230

Platform Solutions

Network equipment related business

150

Other - improvement of sales and profitability

240

Increase on a consolidated basis

due to the business restructuring of subsidiaries

230



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

(Yen in Millions)

◆ SG&A expenses 380

Factors for increase 460

Global business strategy 80

Related to software vendor business 210

Expansion of product distribution business 80

Expansion of management infrastructure 30

Increase of consolidated subsidiaries 20

Increase on a consolidated basis
due to the business restructuring of subsidiaries 40

Factors for decrease Δ 80

Related to business transfer Δ 80

FY2008

Strengthen Foundation for Growth

- Expand target businesses
- Promote global strategies
- People businesses as a software vendor
- Strengthen ties with major customers
- Enhance technology base and software development capabilities
- Expand human capital resources

**“SCS-Style
Business”
Strategy**

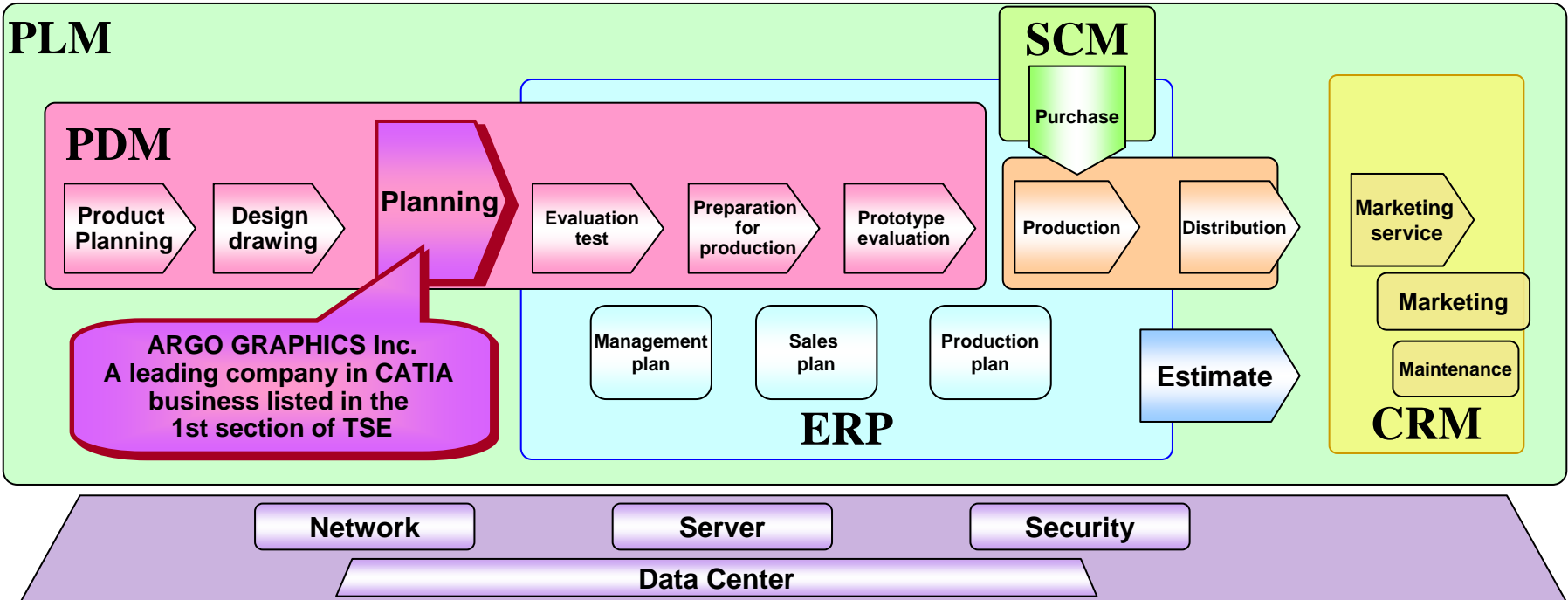
Further Enhancement of Management Infrastructure
(Internal control, compliance, Information security system)

Management Focus in FY 2008

- Expansion of target businesses (1) -

Enhancement of manufacturing solutions

- Capital participation in and business alliance with ARGO GRAPHICS Inc. -



<Summary of capital participation> Contribution ratio: SCS→AG 22.6%, AG→SCS approximately 2% (planned)

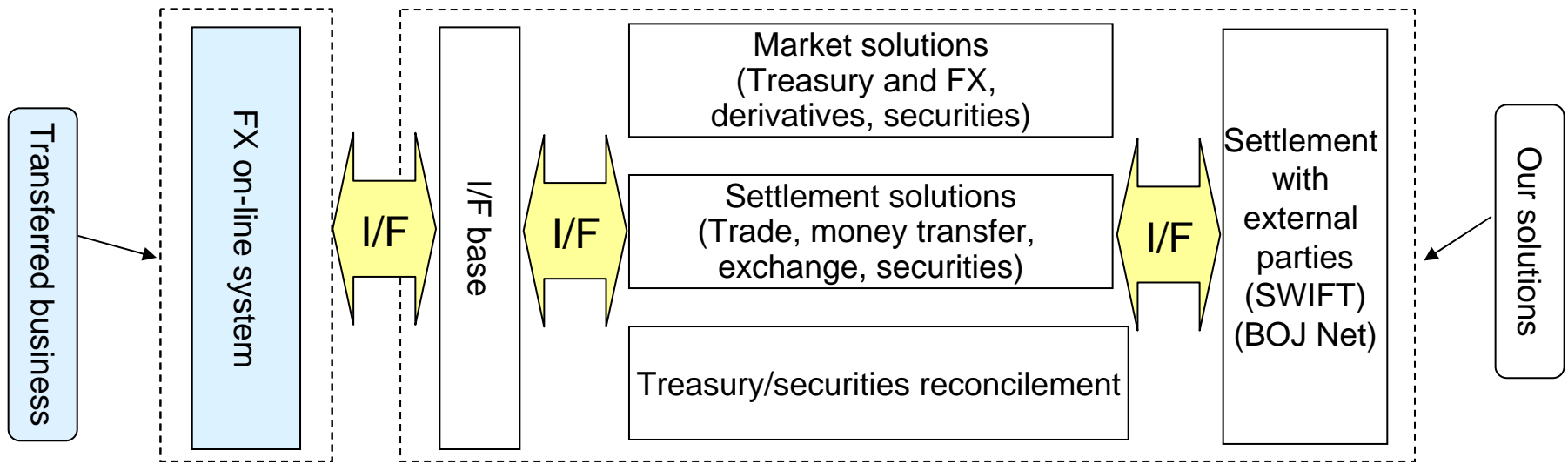
<Summary of business collaboration>

- 1) Mutual supply of IT products and It services in the solution business to *monozukuri* (manufacturing)
- 2) Promotion of collaboration in the ERP system construction business and the Infrastructure construction business, etc.
- 3) Development of Consulting business, Outsourcing, ASP service business, Maintenance and operation service business, and global service business
- 4) Joint development of new solution business
- 5) Exchange of officers and employees

Management Focus in FY 2008

- Expansion of target businesses (2) -

Development and enhancement of solution business for financial industry - Business transfer from NIWS GROUP -



<Summary of business transfer>

- | | | | |
|---------------------------|---|-----------------------------------|----------|
| 1. Business transferred : | FX on-line system, etc. | 4. No. of employees transferred : | 40 |
| 2. Timing : | August 1, 2008 (planned) | 5. No. of existing customers : | 32 banks |
| 3. Objectives : | (1) Enhancement of software line-up in the FX-related business
(2) Obtainment of human resources for financial solution business | | |



Management Focus in FY 2008

- Expansion of target businesses (3) -

- Active promotion for sales expansion of ProActive E²
 - Enhancement of marketing strategy such as promotion & advertisement and holding seminars
 - Promotion of partnership strategy (No. of companies with business partnership agreement: 4 to 7)
 - Provision of log-retrieval solution for internal control
 - Provision of introduction solution that enables to start the full-fledged operation of the system within a short period of time
 - Provision of the add-on development kit that improves the development productivity
- Development and enhancement of network equipment related business
 - Sales expansion by expanding the sales channel in YAMAHA router business
- HPC Solutions
 - Introduction of super computer system to Center for Computational Science, University of Tsukuba



Management Focus in FY 2008

- Promotion of global strategy -

- Enhancement of business alliance with SAP Group for promoting ERP introduction service support on a global basis
(execution of Joint Marketing Agreement)

<Plan for promoting business alliance>

1. Strategic promotion on a global basis

- Phase I : Structural enhancement in North America and China
- Phase II : Structural enhancement in Asia-Pacific countries and Europe

2. Strategic alliance business

- SAP introduction support service for subsidiaries of Japanese companies located overseas
- Development of solutions for mid- and small-sized companies in each overseas area
- Provision of operation support service such as hosting in each overseas area

3. Sales target of SAP-related business in overseas areas

- Two times in the next three years



<Reference>

Press Release from April 2008 to July 2008 (1)

- Group strategy
 - 08.04.24 Merger by absorption with Billingsoft Japan Co., Ltd.
 - 08.04.25 Transfer of e-Commerce Technology to Softbank Technology Corp.
 - 08.05.26 Capital participation in and business alliance with ARGO GRAPHICS Inc.
- ProActive
 - 08.06.11 Execution of a business partnership agreement with info Sense Corporation for ProActiveE2
 - 08.06.16 Start of shipment of the latest version of ProActiveE2 Ver. 4.1
 - 08.06.26 Start of providing ProActiveE2-compatible ProActive log-retrieval solution
 - 08.07.07 Start of providing the introduction solution that enables to start the full-fledged operation within a short period of time in a low cost
 - 08.07.16 Start of providing “Add-on development kit” that improves the development productivity
- ERP
 - 08.05.07 Development of connection with SAP ERP with Asprova
 - 08.05.14 Benetton adopted EAI software “ASTERIA WARP” developed by Inforteria
 - 08.07.15 Agreement with SAP Japan for enhancement and promotion of strategic alliance for overseas business
- Financial
 - 08.07.01 Start of sales of Safe Watch Profiling provided by SIDE International
 - 08.07.25 Execution of an agreement of business transfer of ORFE International settlement on-line system



<Reference>

Press Release from April 2008 to July 2008 (2)

- Security
 - 08.04.15 Start of sales of ServerShield G250-010 manufactured by BlueLane
 - 08.04.23 Launch of RSA enVision-related service
 - 08.05.22 Provision of “Inspection report issuance service” in collaboration with BIGLOBE
- Curl
 - 08.04.08 Announcement of Eclipse strategy for RIA development tools
 - 08.04.09 Opening of Curl development center
 - 08.04.18 Announcement of Ubuntu-compliant RIA platform
 - 08.04.23 Release of Desktop RIA-compatible Nitoro
 - 08.05.09 Start of sales collaboration with NEC
 - 08.06.12 Official release of Mac OS-compatible RIA platform
 - 08.06.24 General release of Eclipse-compatible RIA development toll beta version
 - 08.07.01 Start of testing using Curl in the research project at University of Hawaii at Manoa
 - 08.07.16 General release of data-collaboration kit that can be used in the off-line environment
- netXDC
 - 08.04.02 Start of virtual security patch service

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