

Consolidated Results of Operations

2nd Quarter of Fiscal Year Ending March 2010

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Tetsuya Fukunaga

**Director and Executive Vice President
Sumisho Computer Systems Corporation**



Sumisho Computer Systems Corporation



Summary of Results

[Consolidated Results]

(Million yen)

	Apr. 2008 - Sep. 2008	Apr. 2009 - Sep. 2009	Increase/Decrease	
			Amount	Change(%)
Sales	63,469	61,442	△2,026	△3.2%
Gross Profit	14,700	13,872	△827	△5.6%
SG&A Expenses	11,710	11,945	235	2.0%
Operating Income	2,990	1,927	△1,063	△35.5%
Ordinary Income	3,222	2,117	△1,104	△34.3%
Net Income	1,654	788	△865	△52.3%



Sales Comparison by Solution

[Consolidated Results]

(Million yen)

	Apr. 2008 - Sep. 2008 (composition)	Apr. 2009 - Sep. 2009 (composition)	Increase/Decrease	
			Amount	Change (%)
Industrial Solutions	31,565 (49.7%)	28,847 (47.0%)	△2,718	△8.6%
ERP Solutions	7,711 (12.1%)	8,328 (13.5%)	617	8.0%
Platform Solutions	24,192 (38.2%)	24,266 (39.5%)	73	0.3%
Total	63,469 (100.0%)	61,442 (100.0%)	△2,026	△3.2%



Sales Comparison by Segment

[Consolidated Results]

(Million yen)

	Apr. 2008 - Sep. 2008 (composition)	Apr. 2009 - Sep. 2009 (composition)	Increase/Decrease	
			Amount	Change (%)
Software Development	22,378 (35.3%)	22,574 (36.7%)	196	0.9%
Information Processing	17,557 (27.7%)	17,736 (28.9%)	179	1.0%
Packaged Software /Hardware Sales	23,533 (37.1%)	21,131 (34.4%)	△2,402	△10.2%
Total	63,469 (100.0%)	61,442 (100.0%)	△2,026	△3.2%

[Incoming Orders] Software Development	27,835	25,864	△1,971	△7.1%
[Backlog] Software Development	11,421	10,319	△1,102	△9.6%



Sales Comparison by Solution/Segment

[Consolidated Results]

(Million yen)

Apr. 2009 - Sep. 2009	Software Development	Information Processing	Packaged software /Hardware Sales	Total
Industrial Solutions	14,814	8,282	5,751	28,847
ERP Solutions	6,291	310	1,727	8,328
Platform Solutions	1,469	9,144	13,652	24,266
Total	22,574	17,736	21,131	61,442

Apr. 2008 - Sep. 2008	Software Development	Information Processing	Packaged software /Hardware Sales	Total
Industrial Solutions	16,099	8,914	6,551	31,565
ERP Solutions	5,147	461	2,102	7,711
Platform Solutions	1,131	8,182	14,879	24,192
Total	22,378	17,557	23,533	63,469

Difference	Software Development	Information Processing	Packaged software /Hardware Sales	Total
Industrial Solutions	△1,285	△632	△800	△2,718
ERP Solutions	1,143	△150	△374	617
Platform Solutions	338	962	△1,227	73
Total	196	179	△2,402	△2,026



Sales Comparison by Sector

[Consolidated Results]

(Million yen)

		Apr. 2008 - Sep. 2008		Apr. 2009 - Sep. 2009		Increase/Decrease	
		Amount	Composition	Amount	Composition	Amount	Change
Manufacturers		18,604	29.3%	17,330	28.2%	△ 1,274	△ 6.8%
Distributors		13,772	21.7%	15,749	25.6%	1,977	14.4%
Financial Institutions		8,562	13.5%	8,029	13.1%	△ 533	△ 6.2%
	Banks	3,126	4.9%	3,371	5.5%	245	7.9%
	Securities Firms	1,910	3.0%	1,370	2.2%	△ 539	△ 28.3%
	Shopping Credit/ Leasing Companies	1,424	2.2%	1,026	1.7%	△ 397	△ 27.9%
	Insurance Companies	2,101	3.3%	2,259	3.7%	158	7.5%
Communications/Transportation		9,361	14.7%	8,725	14.2%	△ 635	△ 6.8%
Utilities		743	1.2%	848	1.4%	105	14.1%
Service/Others		12,424	19.6%	10,759	17.5%	△ 1,665	△ 13.4%
Total		63,469	100.0%	61,442	100.0%	△ 2,026	△ 3.2%

* 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 September (year-on-year)

		(Million yen)
Sales		Δ2,000
Factors for Increase		+6,500
➤ Industrial Solutions Related to distributors		+ 300
➤ ERP Solutions Related to manufacturers		+1,100
➤ Platform Solutions Related to distributors		+1,700
➤ Change of accounting standards (percentage of completion method)		+3,400
Factors for Decrease		Δ8,500
➤ Industrial Solutions Related to manufacturers Related to securities firms		Δ3,100 Δ 800
➤ ERP Solutions Related to distributors		Δ 800
➤ Platform Solutions Related to network hardware		Δ1,300
➤ Others (related to service industry and governmental agencies)		Δ2,000
➤ Accounting effect from the merger with a subsidiary during the previous fiscal year		Δ 500



Gross Profit Analysis

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

		(Million yen)
Gross Profit		Δ830
Factors for Increase		+1,160
➤ Industrial Solutions		
Related to distributors		+ 20
➤ ERP Solutions		
Related to manufacturers		+ 240
➤ Platform Solutions		
Related to distributors		+160
➤ Change of accounting standards (percentage of completion method)		+660
➤ Others		+80
Factors for Decrease		Δ1,990
➤ Industrial Solutions		
Related to manufacturers		Δ870
Related to securities firms		Δ140
➤ ERP Solutions		
Related to distributors		Δ270
➤ Platform Solutions		
Related to network hardware		Δ140
➤ Others (related to service industry and governmental agencies)		Δ340
➤ Accounting effect from the merger with a subsidiary during the previous fiscal year		Δ230



SG&A Expenses Analysis

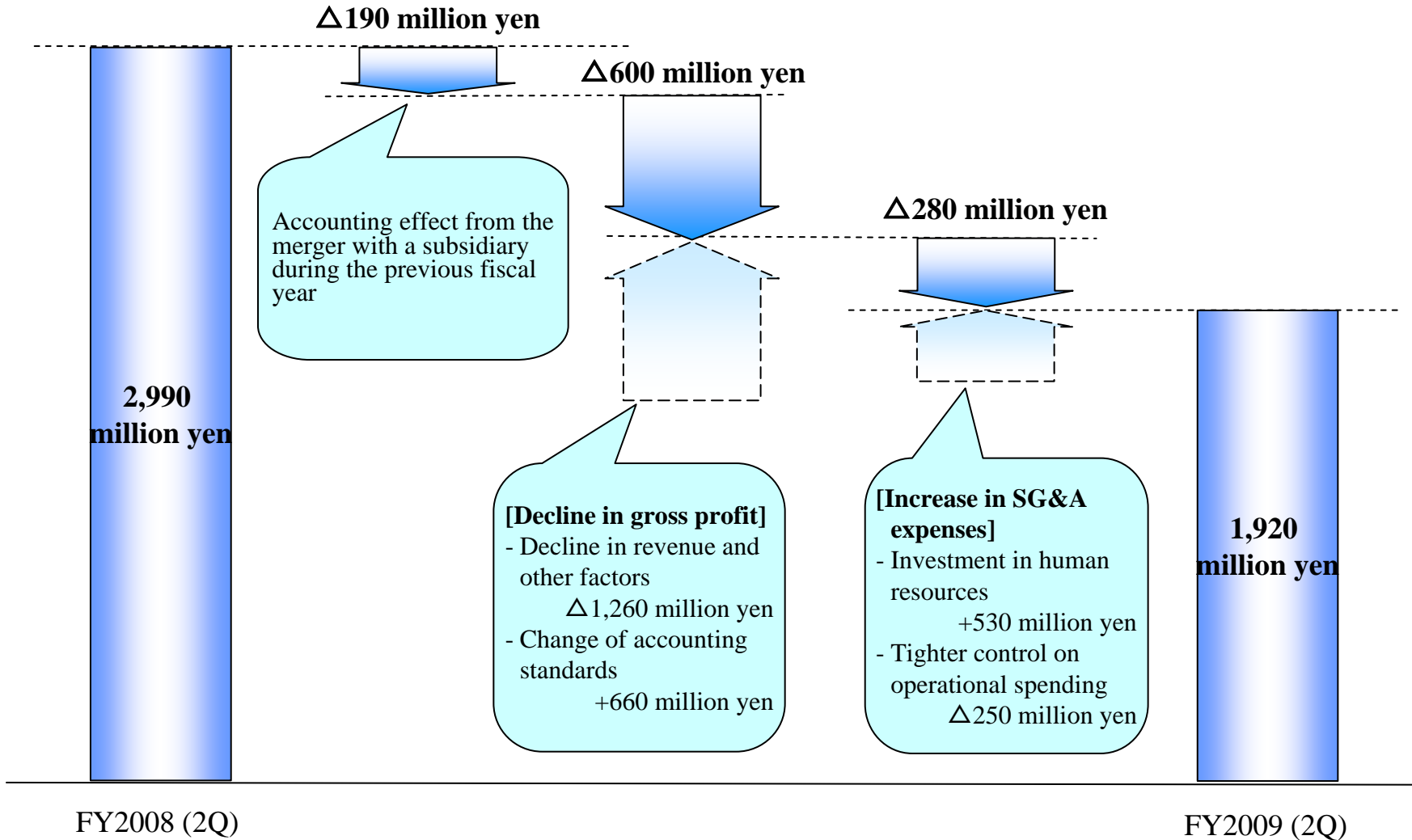
Main factors for increases and decreases from April to September (year-on-year)

(Million yen)

SG&A Expenses	+240
Factors for Increase	+530
➤ Investment in human resources	+260
➤ Pension-related expenses	+160
➤ Investment in our own ERP systems	+110
Factors for Decrease	Δ290
➤ Tighter control on operational spending	Δ250
➤ 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 September (year-on-year)





Comparison with Initial Forecasts

(Cumulative consolidated figures for 2nd quarter)

[Consolidated Basis]

(Million yen)

	Apr. 2009 - Sep. 2009 Initial forecasts	Apr. 2009 - Sep. 2009 Actual results	Increase/Decrease	
			Amount	Change (%)
Sales	61,000	61,442	442	0.7%
Gross Profit	13,900	13,872	△28	△0.2%
SG&A Expenses	12,400	11,945	△455	△3.7%
Operating Income	1,500	1,927	427	28.5%
Ordinary Income	1,700	2,117	417	24.5%
Net Income	750	788	38	5.1%

Business Environment

- General trends: Advancement of inventory adjustment, with large companies in particular showing signs of a partial recovery
Still little sign of recovery in capital spending, with employment conditions also remaining uncertain
- IT industry: Client companies gradually starting to consider IT investment again, but remaining cautious with regard to actual spending

Trends in IT investment likely to remain uncertain during the second half of the year

Impact on SCS



- Ongoing efforts to minimize IT investment in export-dependent manufacturing and other selected industries
- Willingness to invest in IT systems, seen as mid- to large scale orders, mainly among industries oriented to domestic market such as manufacturers and distributors.
- Solid flow of IT investment related to R&D and improvement of management efficiency and upgrade ERP systems in connection with group reorganization

In line with our initial outlook announced in April

Re-establishing Growth Path

Ongoing Measures

- Promoting target businesses
- Improving global services
- Expanding packaged software operations

Additional Measures for FY2009

- Strengthening and expanding client base
- Harnessing group-wide capabilities
- Improving software development productivity



Reinforcing human resources, improving working environments and establishing advanced management infrastructure

Business Trends by Solution (1)

Industrial Solutions

Overview of Environment	
Manufacturing	Export-dependent companies are continuing to significantly reduce IT investment, especially in the automotive industry (slump in software development and IT product sales)
Finance	Despite a steady stream of orders from specified clients in the insurance and banking sector, conditions remain difficult on the whole, including a decline in sales in the securities sector
Distribution	Continuing demand for IT investment amongst major clients Some are starting to target new demand in areas such as e-commerce



Measures
<ul style="list-style-type: none"> - Channelling management resources into R&D solutions designed to give client companies a competitive edge - Focusing on improving cost efficiency through measures such as increasing the percentage of in-house services
<ul style="list-style-type: none"> - Redirecting management resources towards areas such as solutions for the banking and insurance sectors
<ul style="list-style-type: none"> - Focusing on services for the consumer and distribution sectors - Accumulating commercial expertise in order to secure a competitive advantage

Business Trends by Solution (2)

ERP Solutions

Overview of Environment

ProActive
Business

- The market is expected to grow over the medium to long term
- The current situation is giving rise to concerns regarding insufficient investment capital amongst potential clients
- Companies of all sizes are clearly scaling back orders and taking longer to weigh up their options
- Demand for ERP services remains strong as companies strive to improve management practices through measures such as increasing operational efficiency and cutting costs

SAP,
Oracle and
other ERP
businesses



Measures

- Providing value added solutions based on integrated manufacturing and sales
- Launching new sales management module
- Improving support measures in order to expand network of business partners
- Harnessing global network and industry specific templates to secure new clients
- Improving solution capabilities in combination with peripheral solutions

Business Trends by Solution (3)

Platform Solutions

Overview of Environment	
Network Security Solutions	Experiencing a slump in demand for network and security products and a decline in sales of IT products due to the impact of reduced IT investment
Data center solutions	In spite of demand relating to the relocation of urban data centers, competition is becoming increasingly fierce in terms of prices
Other services	Competition is intensifying due to reduced demand and clients switching to cheaper hardware as a result of low levels of business confidence. Certain leading companies are still investing however in the hope of securing profits



Measures
<ul style="list-style-type: none"> - Combining various IT products to provide clients with unique composite services in line with their needs
<ul style="list-style-type: none"> - Providing higher added value as part of operations services - Promoting marketing strategies based on the concepts of virtualization and cloud computing
<ul style="list-style-type: none"> - Focusing on solutions for leading companies and academic institutions - Combining cutting-edge product technology with our own unique technology to provide services designed to help clients maximize improvements in management practices



Topics

- Relocation of Tokyo Office
 - New location: Toyosu, Koto-ku, Tokyo
 - Planned time of relocation: Fall 2010

- Conclusion of the basic agreement aimed at business and capital alliance with CSK Holdings
 - Started discussion for business and capital alliance and exchange of human resources
 - Established a steering committee



Forecasts for FY2009

[Consolidated Basis]

(Million yen)

	Apr. 2008 - Mar. 2009	Apr. 2009 - Mar. 2010 (Forecasts)	Increase/Decrease	
			Amount	Change (%)
Sales	134,263	134,000	△263	△0.2%
Gross Profit	32,155	31,800	△355	△1.1%
SG&A Expenses	23,126	24,300	1,174	5.1%
Operating Income	9,028	7,500	△1,528	△16.9%
Ordinary Income	9,523	7,800	△1,723	△18.1%
Net Income	3,961	4,000	39	1.0%

*The results for the 1st Half of fiscal year 2009 (ended Sept. 30, 2009) were within the estimated range. Consequently, no revisions are deemed necessary with regard to the forecasts for fiscal year ending March 31, 2010.

Your continued support and
encouragement will be
highly appreciated



[Reference]

Press Releases (1) July 2009 – Oct. 2009

Finance	Sept. 09, '09	SCS Starts Joint Offering of Global Cash Management Solutions with Swift Japan
ProActive	Oct. 07, '09	SCS Begins Full Operation of Proactive E2 as Shared Group Business System for Tokyo Stock Exchange, Inc.
	Oct. 27, '09	SCS Revamps Consultant Training Course to Introduce ERP Package ProActive E2
Service	July 14, '09	Global Launch of Google Apps Premier Edition
Server/Storage	July 13, '09	SCS Launches Built-in Server (PCIe) SSD, ioDrive Duo
	July 15, '09	SCS Commences Business in Fault Tolerant Field of Windows Server® 2008 in Cooperation with Marathon Technologies Corporation and Microsoft Corporation
	Aug. 04, '09	SCS Begins Selling Licenses to SANmelody/SANsymphony, Software for Visualization of Storage Made by DataCore Software Corporation, to Academic Institutions
	Sept. 16, '09	SCS Concludes Sales Agency Agreement with DataDirect Networks, Inc. in the United States
	Sept. 28, '09	Demonstration Held to Show Construction and Operation of Secure Business System in a Virtual Server Environment
	Oct. 26, '09	SCS Launches New Appliance Featuring Software Load Balancer Made by Zeus Technology



[Reference]

Press Releases (2) July 2009 - Oct. 2009

OSS	Aug. 25, '09	SCS Offers Business Support Consulting Service for Open Source Software in Middleware /SOA Fields
Security	Oct. 14, '09	SCS Launches Security Monitoring Service in Cooperation with AhnLab, Inc.
	Oct. 20, '09	SCS Begins Providing Quarantine Network Solutions in Cooperation with Hitachi Cable Networks, Ltd.
Curl	Aug. 11, '09	RIAGrid Tabulation Function Component for Rich Internet Applications (RIA) Launched
Other	July 04-12, '09	CSR Activity: Co-sponsoring the Japan Performances of the Bilbao Symphony Orchestra from Spain
	Aug. 20, '09	SCS Announces Relocation of Tokyo Office
	Sept. 08, '09	SCS Begins Cooperation with CSK Holdings Corp. for Business Alliance
	Sept. 15, '09	SCS Acquires Approval Mark (Nicknamed Kurumin) Under Law for Measures to Support the Development of the Next-Generation
	Sept. 30, '09	SCS Concludes Basic Agreement with CSK Holdings Corp. on Business and Capital Alliance

The information in this material, other than historical facts, is the Company's future prospects in management's view based on the currently available information, and includes risks and uncertainties relating to economic conditions, fierce industry competition, market demand, exchange rates, tax and various systems. Therefore, actual results are subject to change for these various factors and the Company assumes no responsibility to your disadvantages by use of this information. The Company is under no obligation to correct and announce future prospects in this material in light of new information and future events.