

Consolidated Results of Operation

1st Quarter of Fiscal Year Ending March 2012

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住商情報システム株式会社

Sumisho Computer Systems Corporation



Summary of Results

[Consolidated Results]

(Million yen)

	Apr. 2010 – June. 2010	Apr. 2011 – June. 2011	Increase/Decrease	
			Amount	Change (%)
Sales	31,069	28,089	$\Delta 2,980$	$\Delta 9.6\%$
Gross Profit	6,773	5,791	$\Delta 981$	$\Delta 14.5\%$
SG&A Expenses	5,605	5,521	$\Delta 92$	$\Delta 1.7\%$
Operating Income	1,167	279	$\Delta 888$	$\Delta 76.1\%$
Ordinary Income	1,266	2,637	1,370	108.2%
Net Income	923	1,520	596	64.6%



Sales Comparison by Segment

[Consolidated Results]

(Million yen)

	Apr. 2010 – June. 2010 (composition)	Apr. 2011 – June. 2011 (composition)	Increase/Decrease	
			Amount	Change (%)
Software Development	10,179 (32.8%)	9,635 (34.3%)	Δ544	Δ5.3%
Information Processing	8,885 (28.6%)	8,762 (31.2%)	Δ122	Δ1.4%
Packaged Software/ Hardware Sales	12,004 (38.6%)	9,691 (34.5%)	Δ2,312	Δ19.3%
Total	31,069 (100.0%)	28,089 (100.0%)	Δ2,980	Δ9.6%

[Incoming Orders] Software Development	11,568	10,806	Δ762	Δ6.6%
[Backlog] Software Development	9,635	9,666	31	0.3%



Sales Comparison by Sector

[Consolidated Results]

(Million yen)

	Apr. 2010 - June. 2010		Apr. 2011 - June. 2011		Increase/Decrease	
	Amount	Composition	Amount	Composition	Amount	Change
Manufacturers	7,191	23.1%	7,427	26.4%	236	3.3%
Distributors	7,151	23.0%	7,131	25.4%	Δ20	Δ0.3%
Financial Institutions	4,213	13.6%	3,771	13.4%	Δ441	Δ10.5%
Banks	1,570	5.1%	1,463	5.2%	Δ107	Δ6.8%
Securities Firms	468	1.5%	487	1.7%	18	4.0%
Shopping Credit/ Leasing Companies	1,018	3.3%	568	2.0%	Δ450	Δ44.2%
Insurance Companies	1,155	3.7%	1,252	4.5%	97	8.4%
Communications/ Transportation	5,478	17.6%	3,874	13.8%	Δ1,604	Δ29.3%
Utilities	368	1.2%	337	1.2%	Δ31	Δ8.6%
Services/Others	6,665	21.5%	5,547	19.8%	Δ1,117	Δ16.8%
Total	31,069	100.0%	28,089	100.0%	Δ2,980	Δ9.6%

* We made a partial amendment in previously disclosed data.

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

(Million yen)

<Distribution & Manufacturing System Solution Business>

	Apr. 2010 - June. 2010	Apr. 2011 - June. 2011	Increase/Decrease
External sales	8,408	7,657	$\Delta 751$
Operating income	183	$\Delta 41$	$\Delta 224$

<Financial System & ERP Solution Business>

	Apr. 2010 - June. 2010	Apr. 2011 - June. 2011	Increase/Decrease
External sales	5,305	4,478	$\Delta 827$
Operating income	41	$\Delta 179$	$\Delta 220$

<Global Solution Business>

	Apr. 2010 - June. 2010	Apr. 2011 - June. 2011	Increase/Decrease
External sales	3,757	3,726	$\Delta 31$
Operating income	421	397	$\Delta 23$

<IT Platform Solution Business>

	Apr. 2010 - June. 2010	Apr. 2011 - June. 2011	Increase/Decrease
External sales	12,260	10,416	$\Delta 1,844$
Operating income	751	207	$\Delta 543$



SG&A Expenses Analysis

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

(Million yen)

SG&A Expenses	Δ92
Details of increase	39
<ul style="list-style-type: none">➤ Expenses for enhancing staff capabilities (including for developing global talent)➤ Expenses for the efforts to promote employees' health	<p>4</p> <p>35</p>
Details of decrease	Δ131
<ul style="list-style-type: none">➤ Outsourcing expenses➤ Others	<p>Δ56</p> <p>Δ75</p>

Business Environment

➤ General trends:

The Japanese economy has faced downward pressure due to the impact of the Great East Japan Earthquake. In addition, the business outlook is still uncertain because of constraints on the power supply, the radiation problems, the impact of strong yen and concerns about overseas economies. On the other hand, the Japanese economy also shows signs of the pick-up in demand for reconstruction from the earthquake and recovery in corporate production activities.

➤ IT industry

Although there were signs of a decline in IT investment immediately after the earthquake, production activities are now normalizing and appetites for IT investment is picking up. This is also supported by economic surveys addressing plans for IT investment.

Impact on SCS



- In April and May, a part of our client companies showed cautious stance for new IT investment, but solid deal flow was recovered from June.
- Impact on ongoing projects are limited.
- Following the earthquake, the demand for IT investments and data center is emerging from the perspective of BCP (Business Continuity Plans) and disaster recovery.



IT investment by client companies is recovering.



Business Trends by Reported Segment

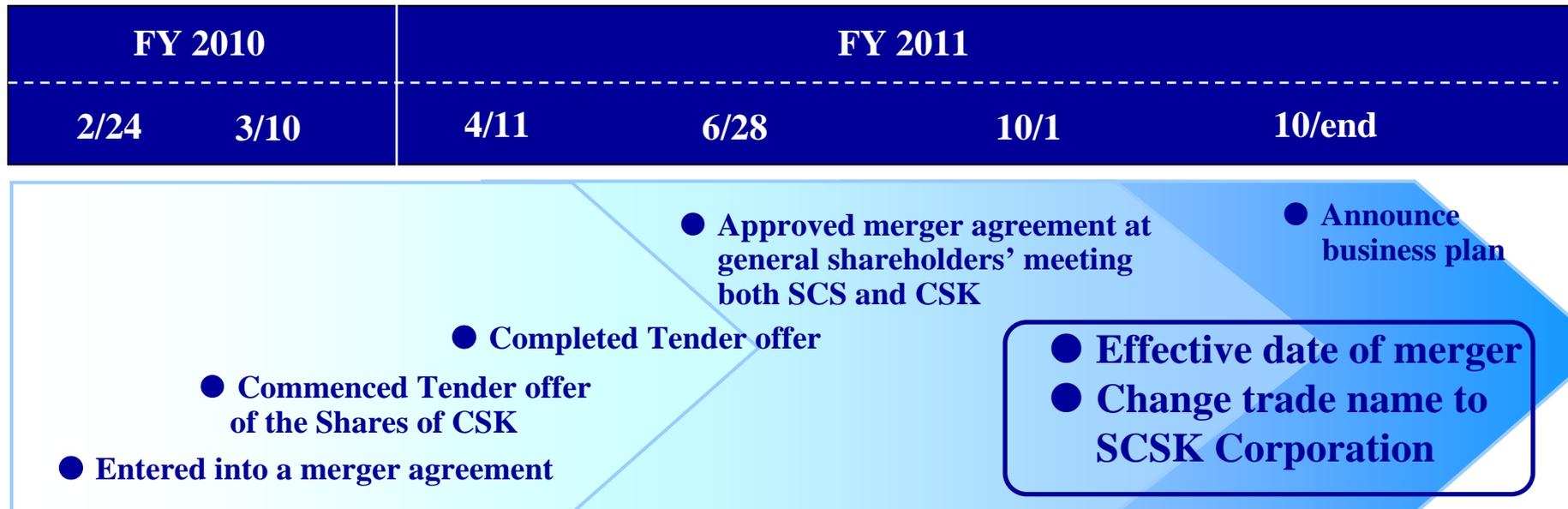
Distribution & Manufacturing System Solution Business	<ul style="list-style-type: none">- The impact of the earthquake is slight.- Software development projects involving distribution and marketing to domestic consumers is increased.- IT investment focused on software development is accelerated at automobile companies as production activities are normalizing.
Financial System & ERP Solution Business	<p>[Finance]</p> <ul style="list-style-type: none">- Several large-scale projects involving business integration have started. Will go into full-scale development after the 2nd quarter.- Even though the regional financial institutions are cautious stance overall, there are expected needs for the upgrade of SWIFT. <p>[ERP]</p> <ul style="list-style-type: none">- The size of ProActive projects are getting much larger in this fiscal year. The deal flow is firm.- Due to the potential postponement of the period for mandatory adoption of IFRS, longer pre-marketing period is expected for some projects, but the impact on this fiscal year will be slight.
Global Solution Business	<ul style="list-style-type: none">- Based on a knowhow of IT system implementation of the overseas business of Sumitomo Corporation, we are creating global SAP templates to reinforce marketing efforts.- Demand for IT services in Asia is picking up mainly in manufacturing industries. We focus on enhancing our service quality including local partners.
IT Platform Solution Business	<ul style="list-style-type: none">- With increasing demand for data centers after the earthquake from the perspective of BCP, we are planning and implementing expansion of data centers in Tokyo and Osaka.- Transactions are increasing related to network security including upgrades to firewall software and vulnerability checks.- In cloud computing and virtualization, we see the surge in demand for cost optimization as well as BCP related projects.



Progress toward Business Merger with CSK

- **Established the Planning Task Force, the Business Task Force and other subcommittees by function under the Integration Promotion Committee**
- **Now drafting a business plan that includes reconstructing of corporate vision**
- **Develop business strategy and client relationship management aimed at maximizing business synergy**

Schedule of business merger with CSK



Your continued support and
encouragement will be
highly appreciated.



(For reference)

Reported Segment based on Management Approach

Reported Segment	Description
Distribution & Manufacturing System Solution Business	Provides IT services that meet the industry-specific system needs mainly for distributors and manufacturers.
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.
Global Solution Business	Provides IT services that leverage our overseas network to our global clients, including Sumitomo Corporation Group, that expand their operations worldwide.
IT Platform Solution Business	Provides IT platform development & operation services, from the design, development and maintenance of clients’ IT infrastructure operations using data centers.
Global Solution Business	Provides IT services that leverage our overseas network to our global clients, including Sumitomo Corporation Group, that expand their operations worldwide.



(For Reference) Press Releases from April to July 2011 (1)

Data Center	July 11, 11	Opening a new data center this summer, the netXDC Tokyo Center No. 3, which boasts high convenience and robustness
DR related	July 21, 11	Begin providing automated solutions for low-cost disaster recovery using the RecoverTrac 2.0 technology from FalconStor
Cloud	July 15, 11	Adopting the Zeus Load Balancer, a software load balancer from Zeus Technology, as the platform for PSC cloud computing
Virtualization	May 11, 11	Launching sales of the availability virtualization platform Stratus Avance Software
ProActive	May 31, 11	The ERP package ProActive E ² service desk support hours adapted to summertime
	June 21, 11	Begin providing a version with functional enhancements for the ERP package ProActive E ² Sales/Purchase Inventory Management System
ERP	July 13, 11	Renewal of add-on solution for the Bill Management Supporting System Plus for SAP
Curl	May 31, 11	Providing open source version of the Curl External Library UI component for business systems



(For Reference) Press Releases from April to July 2011 (2)

Others	April 12, 11	Providing Google Apps for Business at no cost to support the recovery in the areas struck by disaster
	April 12, 11	Notice regarding the result of the tender offer of the shares etc. of CSK Corporation
	April 22, 11	The University e-Learning Association, Nifty and Sumisho Computer Systems Corporation begin providing an Internet-based advanced learning platform to support universities hit by disaster
	May 19, 11	Notice regarding change of trade name and partial changes to company statutes
	May 19, 11	Notice of partial amendment to “Notice Regarding Sumisho Computer Systems Corporation and CSK Corporation Entering into a Merger Agreement”
	June 6, 11	Power conservation initiatives at Sumisho Computer Systems Corporation ~ Implementing Summertime and Super-Cool Biz~
	June 16, 11	Sumisho Computer System Corporation and CA Technologies provide authentication technology at no cost for the advanced learning systems that allow disaster-stricken universities to continue classes
	June 28, 11	Notice of approval of the merger agreement between SCS and CSK Corporation at the general meeting of shareholders for the year ending March 2011
	June 28, 11	Matters concerning controlling shareholders