



February 10, 2011

Summary of Consolidated Financial Results for the Third Quarter of the Year Ending March 31, 2011

Company name: SRA Holdings, Inc.
(URL: <http://www.sra-hd.co.jp>)

Stock listing: Tokyo Stock Exchange

Code number: 3817

President: Toru Kashima

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Scheduled date of submission of quarterly securities report: February 14, 2011

Scheduled commencement of dividend payment: —

Quarterly Results Supplemental Materials: Yes

Quarterly Results Presentation Meeting: No

1. Consolidated results for the third quarter of the fiscal year ending March 2011 (from April 1, 2010 to December 31, 2010)**(1) Consolidated Operating Results (cumulative total)**

(All amounts rounded down, % change YoY)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Third quarter of fiscal 2011	23,635	(2.9)	1,085	(0.8)	1,174	3.7	566	(1.1)
Third quarter of fiscal 2010	24,341	(17.9)	1,094	(50.9)	1,132	(50.4)	572	(48.0)

	Net Income per Share	Net Income per Share after Dilution
	Yen	Yen
Third quarter of fiscal 2011	40.94	—
Third quarter of fiscal 2010	41.39	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Shareholders' Equity per Share
	Millions of yen	Millions of yen	%	Yen
Third quarter of fiscal 2011	26,018	14,917	57.2	1,075.66
Fiscal 2010	27,204	15,129	55.4	1,089.15

Reference: Shareholders' equity

Third quarter of fiscal 2011: ¥14,886 million

Fiscal 2010: ¥15,073 million

2. Dividends

	Dividend per Share				
	End of First Quarter	End of Second Quarter	End of Third Quarter	Year-end	For the Year
	Yen	Yen	Yen	Yen	Yen
Fiscal 2010	—	—	—	40.00	40.00
Fiscal 2011	—	—	—		
Fiscal 2011 (forecast)				40.00	40.00

Note: Revision of dividend forecast in this quarter: No

3. Consolidated Earnings Forecast for Fiscal 2011 (from April 1, 2010 to March 31, 2011)

(% of change from FY2010)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2011	32,000	(6.0)	2,000	0.1	2,100	2.0	1,150	(7.1)	83.09

Note: Revision of consolidated results forecast in this quarter: Yes

4. Others

(1) Changes to significant subsidiaries during the current period : No

Note: Changes in specified subsidiaries during the current period that caused changes in the scope of consolidation

(2) Application of simplified accounting and application of special accounting : No

Note: Application of simplified and special accounting for quarterly consolidated financial statements

(3) Changes in accounting principles and procedures, presentation, etc.

1. Changes caused by revision of accounting standards, etc. : Yes

2. Changes other than 1. above: No

Note: Changes in significant accounting policies and procedures, presentation which are stated in “change in important matters in preparing quarterly consolidated financial statements”

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock)

Third quarter of fiscal 2011: 15,240,000 shares

Fiscal 2010: 15,240,000 shares

2. Number of treasury stock

Third quarter of fiscal 2011: 1,400,230 shares

Fiscal 2010: 1,400,227 shares

3. Average number of shares over period (consolidated total for quarter)

Third quarter of fiscal 2011: 13,839,770 shares

Third quarter of fiscal 2010: 13,839,790 shares

*Indication of quarterly review procedure implementation status

This earnings release is not subject to the quarterly review process as required by the Financial Instruments and Exchange Act of Japan.

As of the date when this earning release was issued, the review process on quarterly financial statements as required by the Financial Instruments and Exchange Act had been finished.

*Explanation relating to the appropriate use of results forecasts, and other noteworthy items

Forward-looking statements in this earnings release, such as forecasts of results of operations, are based on the information currently available and the certain assumptions that we regard as reasonable and therefore actual results may differ materially from those contained in or suggested by any forward-looking statements. With regard to the assumptions and other related matters concerning forecasts for the fiscal year ending March 31, 2011, please refer to the attachment page 3.

1. Qualitative Information Concerning Second-Quarter Consolidated Business Results

(1) Qualitative Information Concerning Consolidated Business Results

During the third quarter of the fiscal year (April 1, 2010 to December 31, 2010), although the Japanese economy initially moved onto a moderate recovery track, the pace of increases in production and exports slowed from summer due to such factors as the appreciation of the yen, and the Japanese economy came to a standstill. Despite hopes for a pickup, the economic outlook remains uncertain amid fears of a downturn in overseas economies and evident risks such as fluctuations in exchange rates and stock prices.

In the information services industry, the severe environment for orders persisted as corporate customers maintained a cautious stance toward IT investments, reflecting uncertainty over future performance, and projects were scaled down, postponed or undertaken in-house while order unit prices declined.

Amid these circumstances, the SRA Holdings Group implemented its group-wide fiscal year business policies, namely, “securing a stable order flow,” “increasing gross profit margins and curbing costs” and “refining a solid customer base and strengthening order-generating activities to create new opportunities.”

Along with these measures, we implemented the following business management initiatives as a response to signs of a deteriorating business environment (quantitative and qualitative declines in projects) that became visible from the start of the third quarter of the fiscal year.

- 1) Sustain momentum at group companies that recorded favorable business results in the second quarter of the fiscal year.
- 2) Promote measures for a recovery at group companies that failed to attain gross profit targets in the second quarter.
- 3) Determine full fiscal year business results at a designated point in time based on the state of progress of the above-mentioned initiatives for each group company.
- 4) Consider and implement a “contingency plan” for the entire group in the event further responses are necessary.

Within our fiscal-year business plan and recovery measures, policies of particular importance are “securing a stable order flow,” “increasing gross profit margins and curbing costs” and “refining a solid customer base and strengthening order-generating activities to create new opportunities.” The state of progress in implementing each of these initiatives is as follows.

Regarding “securing a stable order flow,” revenues increased at Software Science, Inc., which secured favorable prime projects for medium-sized companies, and at SRA America, Inc., which recorded sales from large projects for its principal customers. However, Software Research Associates, Inc., (SRA), which was adversely affected by the harsh environment for orders, recorded a decline in revenues. Advanced Integration Technology, Inc. (AIT) also posted lower revenues due to the absence of large orders that provided sales in the same period of the previous fiscal year.

For “increasing gross profit margins and curbing costs” as measures to strengthen cost management to raise gross profit margins, we increased productivity, curbed outsourcing expenses and reduced production overhead expenses. Through the implementation of such initiatives, Software Science and AIT achieved increases in profits. In contrast, SRA posted a decrease in gross profit, as declines in order unit prices spread to every sector within the Systems Development business. Consolidated gross profit rose slightly year on year.

Turning to “refining a solid customer base and strengthening order-generating activities to create new opportunities,” SRA OSS, Inc., a group company, concluded a business and capital alliance agreement with U.S.-based nSolutions, Inc., with the aims of promoting SRA Holdings’ own IP product business* and expanding

earnings opportunities. Under this alliance, primarily through SRA OSS, we aim to utilize nSolution's successes in North, Central and South America, and strive for further global business development in Japan, Europe as well as in China, India and ASEAN countries in the data center automation field, where the spread of cloud computing is expected to spur an expansion of demand.

*Own IP products: Own-brand products that have intellectual property rights.

As a result of these initiatives, consolidated business results for the third quarter were as follows.

Although sales increased in the Systems Development business, sales declined in the Product Sales business and the System Operations and Infrastructure Development business. As a result, consolidated net sales declined 2.9% year on year to ¥23,635 million.

At the profit level, gross profit increased slightly, but operating income was virtually flat, declining 0.8% year on year to ¥1,085 million, while ordinary profit increased 3.7% year on year to ¥1,174 million. Net income in the third quarter declined 1.1% year on year to ¥566 million due to the recording of extraordinary losses that included a loss on valuation of investment securities and a loss on valuation of stocks of subsidiaries and affiliates in the first quarter.

As described in the above explanation of third quarter consolidated results, net sales declined slightly while profits remained at virtually the same level.

A summary of consolidated business results for the third quarter by business segment is shown below.

1) Systems Development

Although sales to banks declined, the Systems Development business recorded increased sales to manufacturing and electric power industries. As a result, net sales for the third quarter rose 4.8% from the same period of the previous fiscal year to ¥12,785 million.

2) System Operations and Infrastructure Development

Despite an increase in university-related orders, corporate-related orders for System Operations declined as customers shifted to internal production. As a result, third-quarter net sales in the System Operations and Infrastructure Development segment declined 9.7% from the same period of the previous year to ¥2,798 million.

3) Product Sales

Net sales declined 11.0% year on year to ¥8,051 million due to the absence of large-scale orders that provided sales in the same period of the previous fiscal year at AIT.

(2) Qualitative Information Concerning Consolidated Financial Condition

1) Assets, Liabilities and Net Assets

Regarding financial condition at the end of the third quarter, current assets at the end of the third quarter declined ¥1,901 million from the end of the previous fiscal year to ¥17,435 million. Although there was a ¥648 million increase in work in process, notes and accounts receivable—trade decreased ¥1,549 million due to the collection of receivables and cash and deposits decreased ¥1,409 million due to the purchase of short-term investment securities and payments for bonuses. Noncurrent assets increased ¥714 million to ¥8,582 million due to the acquisition of investment securities. As a result, total assets decreased ¥1,186 million to ¥26,018 million.

On the liabilities side, total liabilities declined ¥975 million to ¥11,100 million due to a ¥700 million decline in accounts payable—trade arising from the payment of payables as well as to a ¥397 million decline in income taxes

payable accompanying the payment of income taxes. Net assets declined ¥211 million to ¥14,917 million due mainly to cash dividends paid.

2) Analysis of Cash Flows

Cash and cash equivalents decreased ¥726 million year on year and ¥1,408 million from the end of the previous fiscal year to ¥8,916 million.

The status of cash flows and factors underlying changes in cash flows for the second quarter are shown below.

Cash Flows from Operating Activities

Net cash provided by operating activities amounted to ¥1,095 million, an increase of 165.6% from the same period of the previous fiscal year. This consisted mainly of such cash inflows as a decrease in notes and accounts receivable—trade of ¥1,501 million and ¥976 million in income before income taxes and minority interests, while principal cash outflows were ¥793 million in income taxes paid, a decrease of ¥646 million in notes and accounts payable—trade, and an increase in inventories of ¥633 million.

Cash Flows from Investing Activities

Net cash used in investing activities amounted to ¥1,646 million, a decrease of 14.8% from the same period of the previous fiscal year. This was due mainly to ¥1,047 million for purchases of investment securities, ¥373 million for payments of loans receivable and ¥220 million for purchases of property, plant and equipment and purchases of intangible assets.

Cash Flows from Financing Activities

Net cash used in financing activities amounted to ¥783 million, an increase of 34.6% from the same period of the previous fiscal year. This was due mainly to ¥553 million in cash dividends paid and a net decrease in short-term loans payable of ¥230 million.

(3) Qualitative Information Concerning Consolidated Results Forecast

Regarding the forecast for consolidated business results for the fiscal year ending March 31, 2011, the environment for securing orders is expected to remain difficult as corporate customers maintain a cautious stance toward IT investments while projects are scaled down, postponed or carried out in-house and order unit prices decline. In view of this outlook, we have revised our full-year consolidated forecast announced on May 13, 2010.

For specific details, refer to the Notice of Revised Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2011 released today (February 10, 2011).

Our forecast for fiscal year-end dividends remains unchanged.

2. Other Information

- (1) Significant changes involving subsidiaries during the period: None
- (2) Application of simplified accounting methods and accounting methods specific to the preparation of the quarterly consolidated financial statements: None

(3) Summary of Changes in Accounting Principles, Procedures and Presentation Methods

1) Application of “Accounting Standard for Business Combinations”

From the first quarter of the current fiscal year, the Company adopted “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008) and “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, December 26, 2008).

2) Application of “Accounting Standards for Asset Retirement Obligations”

From the first quarter of the current fiscal year, the Company adopted “Accounting Standards for Asset Retirement Obligations” (ASBJ Statement No. 18, March 31, 2008) and “Guidance on Accounting Standards for Asset Retirement Obligations” (ASBJ Guidance No. 21, March 31, 2008). As a result, consolidated operating income and ordinary profit for the third quarter increased ¥13 million, respectively. There was no impact on income before income taxes and minority interests.

The change in the amount of asset retirement obligations due to Application of Accounting Standards for Asset Retirement Obligations was ¥14 million.

(4) Important Matters Regarding Assumptions of a Going Concern: None

3. Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of Yen)

	End of third quarter of fiscal 2011 (as of December 31, 2010)	Quarterly Consolidated Balance Sheets at the end of fiscal 2010 (summary) (as of March 31, 2010)
ASSETS		
Current assets:		
Cash and deposits	7,547	8,957
Notes and accounts receivable—trade	4,726	6,275
Short-term investment securities	1,504	1,504
Merchandise and finished goods	350	385
Work in process	1,788	1,140
Deferred tax assets	472	467
Other	1,048	610
Allowance for doubtful accounts	(2)	(4)
Total current assets	17,435	19,337
Noncurrent assets:		
Property, plant and equipment		
Buildings	314	257
Accumulated depreciation	(183)	(173)
Buildings, net	130	83
Machinery, equipment and vehicles	640	697
Accumulated depreciation	(581)	(641)
Machinery, equipment and vehicles, net	59	56
Land	0	0
Other	105	101
Accumulated depreciation	(70)	(69)
Other, net	35	31
Total property, plant and equipment	226	172
Intangible assets		
Other	636	701
Total intangible assets	636	701
Investments and other assets		
Investment securities	4,838	4,069
Deferred tax assets	1,540	1,586
Guarantee deposits	518	529
Other	957	949

Allowance for doubtful accounts	(55)	(48)
Allowance for investment loss	(79)	(93)
Total investments and other assets	7,719	6,993
Total noncurrent assets	8,582	7,867
Total assets	26,018	27,204

(Millions of Yen)

	End of third quarter of fiscal 2011 (as of December 31, 2010)	Quarterly Consolidated Balance Sheets at the end of fiscal 2010 (summary) (as of March 31, 2010)
LIABILITIES		
Current liabilities:		
Accounts payable—trade	2,118	2,818
Short-term loans payable	1,954	2,184
Debentures due for redemption within one year	300	—
Accrued expenses	731	570
Income taxes payable	124	522
Accrued consumption taxes	234	243
Provision for bonuses	404	569
Provision for directors' bonuses	70	0
Provision for loss on construction contracts	226	148
Other	763	518
Total current liabilities	6,927	7,576
Noncurrent liabilities:		
Bonds payable	—	300
Deferred tax liabilities	77	135
Provision for retirement benefits	3,649	3,632
Provision for directors' retirement benefits	438	422
Negative goodwill	4	8
Other, net	2	—
Total noncurrent liabilities	4,173	4,498
Total liabilities	11,100	12,075
NET ASSETS		
Shareholders' equity		
Capital stock	1,000	1,000
Capital surplus	4,483	4,483
Retained earnings	10,216	10,202
Treasury stock	(894)	(894)
Total shareholders' equity	14,806	14,792
Valuation and translation adjustments		
Valuation difference on available-for-sales securities	375	414
Foreign currency translation adjustments	(294)	(133)
Total valuation and translation adjustments	80	281
Subscription rights to shares	31	19
Minority interests	—	36
Total net assets	14,917	15,129

Total liabilities and net assets	26,018	27,204
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(2) Quarterly Consolidated Statements of Income

(Millions of Yen)

	Consolidated cumulative total for third quarter of fiscal 2010 (from April 1, 2009 to December 31, 2009)	Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010)
Net sales	24,341	23,635
Cost of sales	20,443	19,706
Gross profit	3,897	3,928
Selling, general and administrative expenses	2,802	2,843
Operating income	1,094	1,085
Non-operating income		
Interest received	18	37
Dividends received	18	19
Other	48	91
Total non-operating income	84	149
Non-operating expenses		
Interest expenses	29	26
Loss on foreign exchange	—	17
Other	17	17
Total non-operating expenses	46	60
Ordinary profit	1,132	1,174
Extraordinary income		
Gain on sales of noncurrent assets	0	—
Total extraordinary income	0	—
Extraordinary loss		
Loss on valuation of investment securities	8	51
Loss on valuation of stocks of subsidiaries and affiliates	—	86
Provision of allowance for investment loss	29	0
Loss on liquidation of affiliate	—	23
Other	4	36
Total extraordinary loss	41	198
Income before income taxes and minority interests	1,090	976
Income taxes-current	526	397
Income taxes-deferred	(8)	12
Total income taxes	517	410
Income before minority interests	—	566
Minority interests in income	0	—
Net income	572	566

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

	Consolidated cumulative total for third quarter of fiscal 2010 (from April 1, 2009 to December 31, 2009)	Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010)
Net cash provided by (used in) operating activities:		
Income before income taxes and minority interests	1,090	976
Depreciation and amortization	168	204
Loss on valuation of memberships	0	—
Increase (decrease) in provision for retirement benefits	45	29
Increase (decrease) in provision for directors' retirement benefits	19	16
Increase (decrease) in provision for bonuses	(234)	(164)
Increase (decrease) in provision for directors' bonuses	(0)	70
Increase (decrease) in allowance for doubtful accounts	6	6
Increase (decrease) in allowance for investment loss	29	(7)
Interest and dividend income	(36)	(57)
Interest expense	29	26
Loss (gain) on valuation of investment securities	8	51
Loss on valuation of stocks of subsidiaries and affiliates	—	86
Loss (gain) on sales of noncurrent assets	(0)	0
Loss on retirement of noncurrent assets	1	7
Decrease (increase) in notes and accounts receivable—trade	1,635	1,501
Decrease (increase) in inventories	(1,264)	(633)
Increase (decrease) in notes and accounts payable—trade	(10)	(646)
Increase (decrease) in other liabilities	414	427
Increase (decrease) in accrued consumption taxes	(211)	(9)
Other, net	(190)	(19)
Subtotal	1,500	1,865
Interest and dividends income received	34	48
Interest expenses paid	(27)	(25)
Income taxes paid	(1,094)	(793)
Net cash provided by operating activities	412	1,095
Net cash provided by (used in) investing activities:		
Purchases of property, plant and equipment	(26)	(100)
Proceeds from sales of property, plant and equipment	1	0
Purchases of intangible assets	(260)	(120)
Proceeds from sales of intangible assets	—	1

Purchases of investment securities	(1,634)	(1,047)
Proceeds from sales of investment securities	24	12
Payments for purchases of investments in subsidiaries	—	(32)
Payments of loans receivable	(511)	(373)
Collection of loans receivable	534	20
Payments into time deposits	(70)	(0)
Proceeds from withdrawal of time deposits	20	—
Other, net	(9)	(8)
Net cash used in investing activities	(1,932)	(1,646)
Net cash provided by (used in) financing activities:		
Net increase (decrease) in short-term loans payable	(19)	(230)
Repayments of long-term loans payable	(10)	—
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(553)	(553)
Other, net	—	(0)
Net cash used in financing activities	(582)	(783)
Effect of exchange rate changes on cash and cash equivalents	7	(73)
Net increase (decrease) in cash and cash equivalents	(2,110)	(1,408)
Cash and cash equivalents at beginning of period	11,753	10,324
Cash and cash equivalents at the end of period	9,643	8,916

(4) Notes Concerning Premise of Going Concern

None

(5) Segment Information

a. Segment Information by Type of Business

Consolidated cumulative total for third quarter of fiscal 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Systems Development	System Operations and Infrastructure Development	Product Sales	Total	Eliminations/ Corporate	Consolidated
Sales						
(1) Sales to customers	12,199	3,098	9,043	24,341	—	24,341
(2) Intersegment sales or transfers	41	186	345	573	(573)	—
Total sales	12,240	3,284	9,389	24,914	(573)	24,341
Operating income	1,220	700	478	2,399	(1,305)	1,094

Note:

Businesses are classified into segments according to similarities that include the types and characteristics of services.

b. Geographical Segments

Consolidated cumulative total for third quarter of fiscal 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Japan	Other Regions	Total	Eliminations/ Corporate	Consolidated
Sales					
(1) Sales to customers	22,327	2,013	24,341	—	24,341
(2) Intersegment sales or transfers	85	12	98	(98)	—
Total sales	22,412	2,026	24,439	(98)	24,341
Operating income	1,247	125	1,372	(278)	1,094

Notes:

1. Countries and regions are categorized based on geographic proximity.
2. Because only small amounts of net sales were recorded in each country and region outside Japan, these countries and regions are aggregated under Other Regions.

Principal countries included in Other Regions are the United States and the Netherlands.

c. Overseas Sales

Consolidated cumulative total for third quarter of fiscal 2010 (from April 1, 2009 to December 31, 2009)

(Millions of yen)

	Other Regions	Total
I Overseas Sales	2,014	2,014
II Consolidated net sales	—	24,341
III Overseas sales as a percentage of consolidated net sales (%)	8.3	8.3

Notes:

1. Countries and regions are categorized based on geographic proximity.
2. Because only small amounts of net sales were recorded in each country and region outside Japan, these countries and regions are aggregated under Other Regions.

Principal countries included in Other Regions are the United States and the Netherlands.

3. Overseas sales are those recorded by the Company and its consolidated subsidiaries in countries and regions outside Japan.

1. Summary of Reporting Segments

Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010)

The Group's reporting segments are those for which financial information separate from that of other units comprising the Group can be obtained. Periodic reviews are made of reporting segments by the Board of Directors for determining the allocation of management resources and assessment of business results.

The Company carries out overall management of subsidiaries engaged in the three businesses of "Systems Development," "System Operations and Infrastructure Development" and "Product Sales." Therefore, the Group's three reporting segments are "Systems Development," "System Operations and Infrastructure Development" and "Product Sales."

Principal contents of business in each segment

Business segment	Content of business
Systems Development	<ul style="list-style-type: none"> ● Integrated system development ranging from defining requirements to development and maintenance of mainframe-based large systems ● System integration covering system planning, development and introduction of open systems ● Solutions business offering business tools that utilize various products and tools ● Open source business that offers technical support for systems through open source software
System Operations and Infrastructure Development	<ul style="list-style-type: none"> ● Operation management of computer systems and network systems ● Overall operation that includes data management and facilities management ● Building of network systems ● Outsourcing services

Product Sales	<ul style="list-style-type: none"> ● Sales of packaged software that includes licensing ● Sales of system devices, centering on servers, in integration services ● Consulting services related to the introduction of IT
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2. Information Concerning Net Sales and Income or Losses for each Reporting Segment

Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010)

(Millions of yen)

	Systems Development	System Operations and Infrastructure Development	Product Sales	Total	Adjustment amount *1	Amount recorded on the quarterly consolidated statements of income *2
Sales						
Sales to customers	12,785	2,798	8,051	23,635	—	23,635
Intersegment sales or transfers	31	180	302	513	(513)	—
Total sales	12,816	2,978	8,353	24,149	(513)	23,635
Operating income	1,375	548	565	2,488	(1,403)	1,085

Notes:

1. The segment income adjustment of minus ¥922 million is a company-wide expense not apportioned to any reporting segment. Company-wide expenses are general and administrative expenses and R&D expenses not attributed to any reporting segment.

2. Segment operating income is adjusted in operating income on the quarterly consolidated statements of income.

3. Information Regarding Impairment Loss on Fixed Assets, Goodwill and Negative Goodwill, Etc. by Reporting Segment

Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010) (Significant impairment loss on fixed assets)

No items to report

(Significant change in the amount of goodwill)

No items to report

(Significant gain on negative goodwill)

No items to report

(Additional Information)

Effective from the first quarter of the current fiscal year, the Company adopted the “Accounting Standard for Disclosures about Segments of an Enterprise and Related information” (ASBJ Statement No. 17, March 27, 2009) and “Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related information”

(ASBJ Guidance No. 20, March 21, 2008).

(6) Notes on Significant Changes in Shareholders' Equity

Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010)

None

4. Other Information

Status of Production, Orders and Sales

Consolidated cumulative total for third quarter of fiscal 2011 (from April 1, 2010 to December 31, 2010)

(1) Production amounts

Segment information by type of business	Millions of Yen	% change YoY
Systems Development	13,749	103.2
System Operations and Infrastructure Development	2,831	90.6
Total	16,581	100.8

(2) Purchase amounts

Segment information by type of business	Millions of Yen	% change YoY
Product Sales	5,017	87.3
Total	5,017	87.3

(3) Status of orders

Segment information by type of business	Orders received (Millions of Yen)	(% change YoY)	Order backlog (Millions of Yen)	(% change YoY)
Systems Development	13,063	92.1	4,396	81.0
System Operations and Infrastructure Development	2,126	93.4	881	91.2
Product Sales	8,639	100.6	3,226	148.8
Total	23,829	95.1	8,504	99.3

(4) Sales amounts

Segment information by type of business	Millions of Yen	% change YoY
Systems Development	12,785	104.8

System Operations and Infrastructure Development	2,798	90.3
Product Sales	8,051	89.0
Total	23,635	97.1