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This English translation of the financial report was prepared for reference purposes only and is qualified in its entirety by the original Japanese version. The financial information contained in this report is derived from our unaudited consolidated financial statements.

SoftBank Technology Corp.
Consolidated Financial Report for the Fiscal Year Ended March 31, 2010

[Japanese GAAP]

April 27, 2010

SoftBank Technology Corp. (Tokyo Stock Exchange/Code No. 4726)
(URL http://www.softbanktech.co.jp/)
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Contact: Naoki Shimizu, Director, Senior General Manager of Administrative Division Phone: +81-3-5206-3316
Date of General Shareholders' Meeting (scheduled): June 19, 2010
Dividend Payable Date (scheduled): June 21, 2010
Filing of Securities Report (scheduled): June 21, 2010

(Figures are rounded down to millions of yen)

1. Financial Highlights

(1) Consolidated Results of Operations

(Percentages shown for net sales and incomes represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
Fiscal year ended March 31, 2010	28,174	(4.1)	841	(16.4)	929	(13.0)	376	78.4
Fiscal year ended March 31, 2009	29,371	0.5	1,006	(6.9)	1,068	(11.7)	211	(75.2)

	Net income per share – basic	Net income per share – diluted	Return on equity	Ordinary income / Total assets	Operating income / Net sales
	(yen)	(yen)	%	%	%
Fiscal year ended March 31, 2010	38.89	-	5.3	7.4	3.0
Fiscal year ended March 31, 2009	21.15	21.15	2.9	8.6	3.4

Reference: Equity in earnings of non-consolidated subsidiaries and affiliates:
Fiscal year ended March 31, 2010: 66 million yen Fiscal year ended March 31, 2009: 47 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	%	(yen)
As of March 31, 2010	12,729	7,165	56.3	740.40
As of March 31, 2009	12,254	6,970	56.4	713.57

Reference: Shareholders' equity
As of March 31, 2010: 7,165 million yen As of March 31, 2009: 6,908 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Fiscal year ended March 31, 2010	801	(407)	(7)	3,581
Fiscal year ended March 31, 2009	1,349	(242)	(530)	3,194

2. Dividends

	Dividend per share					Total amount of dividends (Annual)	Payout ratio (Consolidated)	Dividend on net assets (Consolidated)
(Record date)	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Total			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	%	%
Fiscal year ended March 31, 2009	-	0.00	-	16.00	16.00	154	75.7	2.2
Fiscal year ended March 31, 2010	-	0.00	-	16.00	16.00	154	41.1	2.2
Fiscal year ending March 31, 2011 (Forecast)	-	0.00	-	16.00	16.00		34.4	

3. Forecasts on the Consolidated Operation Results for the Fiscal Year Ending March 31, 2011 (April 1, 2010 – March 31, 2011)

(Percentages are shown as year-on-year changes)

	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)
First half	13,800	0.3	400	82.0	400	36.7	190	1.5	19.63
Full year	28,500	1.2	1,100	30.7	1,100	18.3	450	19.5	46.49

4. Other

(1) Significant changes in scope of consolidation (Changes in scope of consolidation of specified subsidiaries): None

Newly consolidated subsidiary: None Excluded: None

Note: For more details, refer to "The SoftBank Technology Group" on pages 6 to 8.

(2) Changes in accounting principles, procedures, disclosure methods, etc., pertaining to the preparation of consolidated financial statements (Those to be stated as Changes in Basis of Presentation of Consolidated Financial Statements)

[1] Changes due to revisions in accounting standards: Yes

[2] Changes other than those in [1]: Yes

Note: For more details, refer to "Basis of Presentation of Consolidated Financial Statements" on page 18 and "Changes in Basis of Presentation of Consolidated Financial Statements" on page 22.

(3) Number of shares issued (Common stock)

[1] Number of shares issued (including treasury stock)

As of March 31, 2010: 10,640,200 shares As of March 31, 2009: 10,640,200 shares

[2] Number of shares of treasury stock

As of March 31, 2010: 961,775 shares As of March 31, 2009: 958,866 shares

Note: For basis for calculating net income per share (consolidated), refer to "Per Share Data" on page 26.

[For Reference]

1. Financial Highlights (Non-consolidated)

(1) Non-consolidated Results of Operations (Percentages are shown as year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%	(millions of yen)	%
Fiscal year ended March 31, 2010	27,672	(3.2)	879	(15.5)	906	(28.4)	250	(40.9)
Fiscal year ended March 31, 2009	28,599	1.0	1,040	(11.3)	1,267	6.2	423	(23.7)

	Net income per share – basic	Net income per share – diluted
	(yen)	(yen)
Fiscal year ended March 31, 2010	25.84	-
Fiscal year ended March 31, 2009	42.41	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	%	(yen)
As of March 31, 2010	12,375	6,853	55.4	708.07
As of March 31, 2009	11,880	6,730	56.6	695.19

Reference: Shareholders' equity As of March 31, 2010: 6,853 million yen As of March 31, 2009: 6,730 million yen

Notes to forecasts on the consolidated operating results and other items

The forecast figures are estimated based on the information that SoftBank Technology Corp. is able to obtain at the present point and assumptions deemed to be reasonable. However, actual results may be different due to various factors. Please refer to page 4 of the accompanying materials for details of the notes to preconditions and use for forecasts.

1. Results of Operations
(1) Overview of Results of Operations

(Millions of yen) (Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ended March 31, 2010	28,174	841	929	376	38.89
Fiscal year ended March 31, 2009	29,371	1,006	1,068	211	21.15
Change (%)	(4.1%)	(16.4%)	(13.0%)	78.4%	83.9%

(i) Business Overview

The business environment in which SoftBank Technology Corp. operates was very difficult for the first half of the consolidated fiscal year under review due to limited investments in development and a reduction in costs caused by declining corporate revenues in the middle of a global economic recession, but the economy picked up somewhat for the second half of the consolidated fiscal year to begin a recovery trend.

Under these business conditions, net sales for the Softbank Technology Group were ¥28,174 million, a ¥1,197 million (4.1%) decrease compared with the previous fiscal year (April 1, 2008 to March 31, 2009, hereafter “year-on-year”), operating income declined ¥164 million to ¥841 million (a 16.4% decrease year-on-year). Ordinary income was ¥929 million (a 13.0% decrease) due to an increase in investment gain on equity method. Extraordinary income improved by ¥360 million year-on-year. As a result, net income was ¥376 million (a 78.4% increase year-on-year).

Profitability declined for the first half of the consolidated fiscal year because of a decrease in sales and an unprofitable system development project. During the second half of the consolidated fiscal year, however, earnings improved due to a recovery in orders received, improvement in the operating ratio for which the Company Group worked to increase, and the effect of the company-wide reduction in costs. For the 4Q of the consolidated fiscal year (from January 1, 2010 to March 31, 2010), income for the Company Group was greater than the same period the previous fiscal year.

By business segment, the eBusiness Service was steady. Although the decline in net sales of the Solution was offset by an increase in the operating ratio and the company-wide reduction in costs, both net sales and income for the segment declined due to an unprofitable system development project and the delay in earnings for new businesses.

(ii) Results by Business Segment

(Millions of yen)

	Fiscal year ended March 31, 2009		Fiscal year ended March 31, 2010		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
eBusiness Service	17,203	949	17,208	968	5	18
Solution	12,168	57	10,965	(126)	(1,202)	(183)
Total consolidated	29,371	1,006	28,174	841	(1,197)	(164)

[eBusiness Service]

In the eBusiness Service segment, net sales for the consolidated fiscal year under review were ¥17,208 million (unchanged year-on-year), and operating income was ¥968 million (an increase of 1.9% year-on-year). Net sales were stable and robust because of the auto renewal systems (auto update of license) for virus protection software.

By reducing the EC sites that the Company Group operates, focusing resources on the selected sites, and closing unprofitable EC shops, operating income increased.

[Solution]

Net sales in the Solution segment for the consolidated fiscal year under review were ¥10,965 million (a 9.9% decrease year-on-year), and operating loss was ¥126 million (operating income of ¥57 million for the previous fiscal year). Net sales declined due to limited investments in IT by customers. The operating loss was due partially to a loss of ¥201 million caused by an unprofitable project in system development.

For the 4Q of the consolidated fiscal year (from January 1, 2010 to March 31, 2010), orders were recovering, and winding up unprofitable businesses and subsidiaries by the Company Group paid off. As a result, operating income was greater than the same period the previous fiscal year.

(iii) Forecast for the Fiscal Year Ending March 31, 2011

(Millions of yen) (Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ending March 31, 2011 (forecast)	28,500	1,100	1,100	450	46.49
Fiscal year ended March 31, 2010 (actual)	28,174	841	929	376	38.89
Change (%)	1.2%	30.7%	18.3%	19.5%	19.5%

The Company will exploit the blooming Web and online business, including mobile services by the Online Business Solution & Service. Specifically, we will provide Online Business Solution & Service through (i) Produce & Consulting of EC, particularly among (i) on the left, (ii) Web marketing and platform services for EC, and (iii) development of applications for mobiles for corporations and platform services. We will provide comprehensive services through the ICT Cost Down & Cloud Enabling™ of shared services of high cost-performance IT assets and will secure NI+SI construction of infrastructure/management services, which are traditional IT infrastructure services that sustain the group of solutions and services as described above.

For the fiscal year ending March 31, 2011, an increase in net sales and an improvement in profitability for the new businesses are expected, as well as the recovery in the number of orders.

Also, the structural reforms of streamlining human resources, appropriate allocation of self-manufacture and outsourcing, and the reduction in procurement cost for the entire company since the previous consolidated fiscal year will contribute to increased earnings.

Consequently, consolidated net sales of ¥28,500 million and consolidated net income of ¥450 million are forecast for the next fiscal year ending March 31, 2011.

(2) Overview of Financial Position

(i) Assets, Liabilities, and Net Assets

(Millions of yen)

	As of March 31, 2009	As of March 31, 2010	Change
Total assets	12,254	12,729	474
Net assets	6,970	7,165	195
Shareholders’ equity ratio	56.4%	56.3%	(0.1) point
Net assets per share	713.57 yen	740.40 yen	26.83 yen

(Assets)

Assets at the end of the consolidated fiscal year totaled ¥12,729 million, for a ¥474 million increase from the end of the previous fiscal year because of the increase in current assets.

Current assets increased ¥631 million mainly because of the increase in cash and deposits; however, fixed assets decreased by ¥157 million due mainly to a decrease in investment securities.

(Liabilities)

Liabilities totaled ¥5,563 million, for a ¥279 million increase from the end of the previous fiscal year due to the increase in fixed liabilities.

Fixed liabilities increased by ¥217 million due mainly to increases in long-term advance from customers and lease obligations.

(Net Assets)

Net assets totaled ¥7,165 million, for a ¥195 million increase from the end of the previous fiscal year. This was mainly due to an increase in retained earnings.

(ii) Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010	Change
Cash flows from operating activities	1,349	801	(548)
Cash flows from investing activities	(242)	(407)	(165)
Cash flows from financing activities	(530)	(7)	523
Change in cash and cash equivalents	577	386	(190)
Cash and cash equivalents at the end of the year	3,194	3,581	386

Cash and cash equivalents at the end of the consolidated fiscal year ended March 31, 2010 were ¥3,581 million, a ¥386 million increase from the end of the previous fiscal year.

The status of cash flows during the consolidated fiscal year and their primary factors were as follows:

(Cash Flows from Operating Activities)

Net cash provided by operating activities totaled ¥801 million. The primary components of the increase were as follows: income before income taxes and minority interests totaled ¥581 million; depreciation and amortization totaled ¥339 million; and valuation loss on investment securities totaled ¥427 million. The primary component of the decrease was income taxes paid in cash of ¥340 million.

(Cash Flows from Investing Activities)

Net cash used in investing activities was ¥407 million. The primary components of the decrease were an outlay for purchase of fixed assets of ¥480 million and purchase of investment securities of ¥200 million. The primary component of the increase was proceeds from sale of investment securities of ¥404 million.

(Cash Flows from Financing Activities)

Net cash used in financing activities was ¥7 million. The primary component of the decrease was payment of dividends of ¥155 million. The primary component for the increase was revenue due to the shift to the leasing of newly acquired facilities totaling ¥157 million.

(3) Fundamental Policy for Distribution of Profit, and Dividends for the Current Fiscal Year and the Next Fiscal Year

The Company will improve shareholders’ equity, expand businesses, improve profitability, and strengthen the financial base from the long-term viewpoint. Free cash flows will go into the development of personnel and technology to expand existing businesses and for investments in new businesses, which will increase corporate value. SoftBank Technology Corp.’s basic policy is to continue returning profits to shareholders by confirming the development of operation results in a fast-changing environment and considering the need to increase internal reserves.

In accordance with the basic policy described above, the Company plans to pay a year-end dividend of 16.00 yen per share as common dividends, the same amount as the previous consolidated fiscal year ended March 31, 2009.

A year-end dividend of 16.00 yen per share is scheduled for the next consolidated fiscal year ending March 31, 2011.

The Company considers using undistributed earnings for investments in companies with which the Company intends to form business alliances and for strengthening the business culture to cope with changes in the future management environment.

2. The SoftBank Technology Group

The Group comprises the Company (SoftBank Technology Corp.), the parent company (SoftBank Corp.), five consolidated subsidiaries, and two equity method affiliates. The Company merged e-Commerce Technology Corporation, a wholly owned subsidiary of the Company, as of April 1, 2010. The Group is engaged in eBusiness Service and Solution, and the details of the two businesses are as follows:

(1) eBusiness Service

This business pertaining to EC (electric commerce transactions) sites operated by the Company comprises the following five services:

(i) Sales of software, PCs, and related products via the EC (electric commerce) sites operated by the Company;

(ii) E-shop agent/outsource services that manage back-office operations from sales of online shops at EC sites to receiving/placing orders, logistics, sales management, and settlement/collection as a total service;

(iii) E-payment services for settlement/collection operations only;

(iv) Contact center services of technical support and customer services to products and services from various makers/vendors of software, PCs, and others;

(v) Comprehensive technologies and services from consulting of the EC total system for shops to back-office operations to the design, building, and contracting of outsourcing of the back-office business.

(2) Solution

This business will exploit the blooming Web and online business, including mobiles by Online Business Solution & Service. Specifically, we will provide Online Business Solution & Service through (i) Produce & Consulting of EC, particularly among (i) on the left, (ii) Web marketing and platform services for EC, and (iii) development of applications for mobiles for corporations and platform services. We will provide comprehensive services as ICT Cost Down & Cloud Enabling™ of shared services of high cost-performance IT assets and secure NI+SI construction of infrastructure/management services, which are traditional IT infrastructure services from the Company.

Note:

The business segments as described above are the same as the reportable segments listed in 4 “Consolidated Financial Statements” Notes to Consolidated Financial Statements (Segment Information). For more details, refer to “Segment Information per Reportable Segment” on pages 24 to 25.

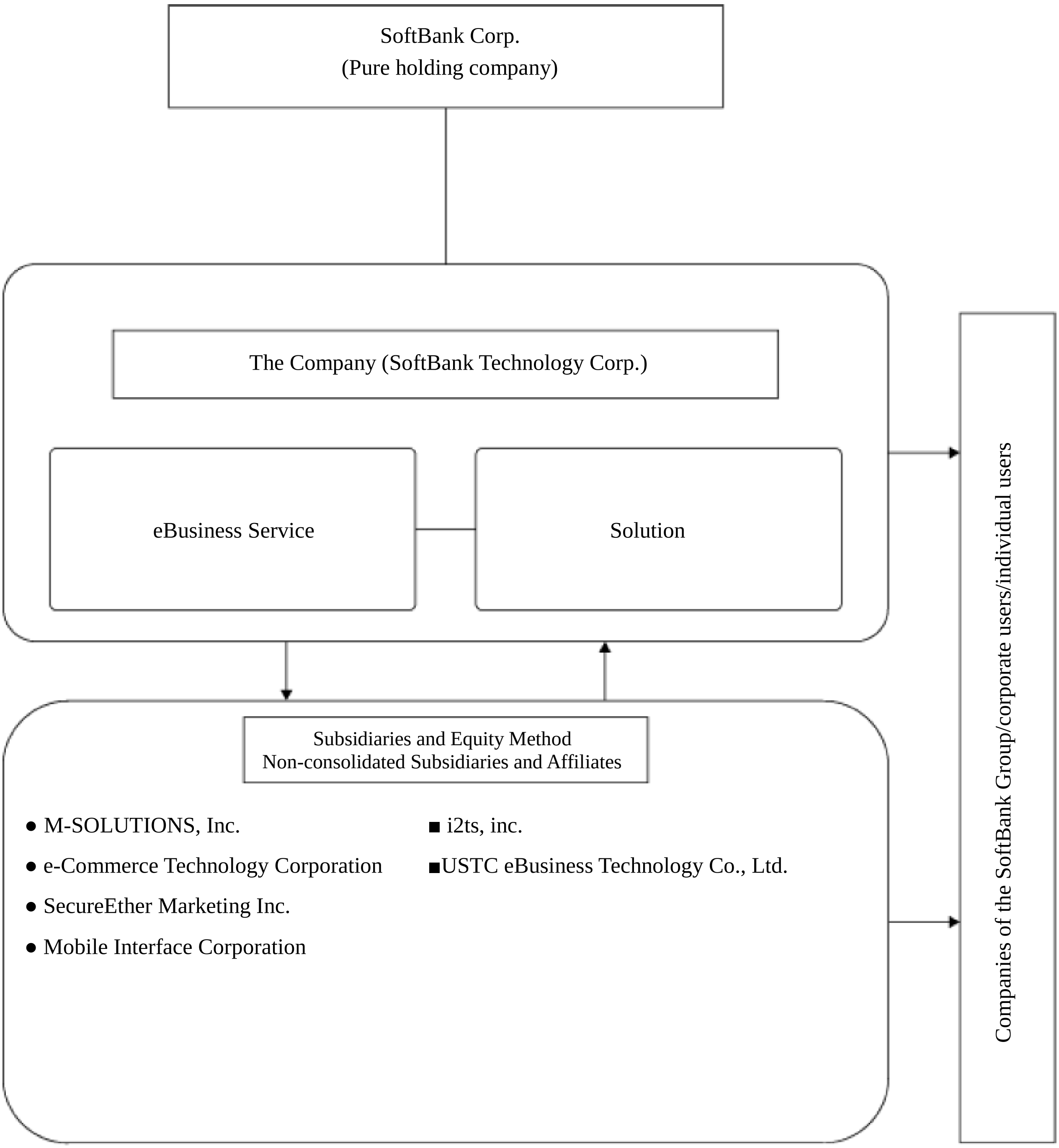
Consolidated subsidiaries and equity method non-consolidated subsidiaries and affiliates of SoftBank Technology Corporation and their main businesses are as follows:

Company	Main Business
M-SOLUTIONS, Inc.	Provision of services of charging/settlement incidental to EC business, design/construction of systems such as distribution of contents, business support such as system operation, sales of package software such as accounting/management of work and construction of systems
e-Commerce Technology Corporation	Provision of services of design/construction of business control systems, design/construction of systems for EC and B to B and operation thereof
SecureEther Marketing Inc.	Provision of software for building virtual networks and services thereof
Mobile Interface Corporation	Reserving and managing intellectual rights of information telecommunication business, and management of trade name, approval and license and registry of qualifications
i2ts, inc.	Data center housing and hosting services to companies that collect and distribute information on the web such as PCs and cellular phones
USTC eBusiness Technology Co., Ltd.	Provision of contracting services of information system development in Chinese market and from Japan

Notes:

1. Movida Solutions Inc. changed its trade name to M-Solutions, Inc. on August 1, 2009.
2. Movida Edutainment Inc. was dissolved on July 31, 2009 and completed its liquidation on November 16, 2009.
3. M-Solutions, Inc., the whole (100%) voting rights of which are owned by the Company, sold all the shares of Movida Sports Inc. which M-Solutions, Inc. owned on March 15, 2010. Therefore, the Company excluded Movida Sports Inc. from consolidated subsidiaries.
4. Ustc Hengxing eBusiness Technology Co., Ltd changed its trade name to USTC eBusiness Technology Co., Ltd. on June 26, 2009.
5. On November 30, 2009, our consolidated subsidiary as of the end of the current consolidated fiscal year, EC Architect Corporation resolved the dissolution of the company, and currently is under liquidation process. Therefore, it is not listed on the table of the consolidated subsidiaries, etc. above.
6. E-commerce Technology Corporation merged with the Company on April 1, 2010.

Business Chart of the Company Group is as follows:



Notes: 1. Flow of provision of services

2. ●: Consolidated subsidiary

■: Equity method non-consolidated subsidiary or affiliate

3. Management Policies

(1) Basic Policy of Management of the Company

The Company is guided by a corporate philosophy of realization of highly sophisticated communication technology based on the renovation of digital information technology or the realization of close, high-quality communication in C2C, C2B, and B2B environments and always provides the most suitable and best information technology that customers require, without limitation to specified makers, vendors, or carriers on a timely basis.

(2) Target Indicators

The Company measures the performance and efficiency of activities based on income per segment and income per project because we attach importance to profit indicators, and part of the bonuses for directors and employees is determined to reflect the accomplishment of their targets.

In order to stress the importance of value-added and streamlined management in business, we adopt return on equity (ROE) as a management indicator from the standpoint of effectively using owners' Equity and expanding shareholder value as well as valuing the operating income ratio on sales and ordinary income ratio on sales.

(3) Medium-to Long-term Strategies

The Company, which is part of the SoftBank Group, is a front-runner in the Internet business industry and in charge of the technology field therein, can acquire advanced business models, obtain and accumulate sophisticated technologies by participating in new businesses that companies of the SoftBank Group work on, and obtain stable customers. We will ensure stability and growth of revenue by satisfying a wide range of requirements for information systems of the group companies and proactively proceeding with business alliances.

Meanwhile, the Company will develop and provide unique solutions and services with advanced and broad-based technologies and knowledge that has been developed through participation in new businesses of the SoftBank Group. The Company will always secure a superior position in the industry by introducing new technologies through strengthening alliances with leading makers and vendors. For that purpose, we will be proactive to study undertaking M&As.

The Company aims to improve profitability by shifting to a business structure that puts priority to operating services from design/construction of systems and promotes the operation service business by seizing on the situation when the service business develops into the ASP type or cloud type in the development of broadband. We will acquire new customers who are not in the SoftBank Group in a proactive manner by providing new technologies and services. For this purpose, we will strengthen human resources in both the technology and sales fields.

Specifically, the Company will expand and improve the education and training system. Concerning administration, we will make efforts to improve corporate governance by fortifying systems and the structure.

(4) Important Management Issues for the Company

Although the management environment has become more severe owing to the rapid development of IT, changes in requirements of markets/customers, and intensified competition, we must respond by accurately understanding the essence of such changes in order to keep growing. Consequently, the Company lists the following problems and urgently tackles them in a planned manner.

(i) Further investigation of customer needs

The Company has made efforts for development of in-house solution products and strengthening of the direct sales structure with the guidelines for action of "we will provide our own products to our own customers." As in-house solution products, we have developed the "Online Business Solution & Services" that has unified the one-stop EC service that provides total services from sales at front shops on EC sites to settlement/logistics/management of a call center, and the Web Marketing Service that provides services from website analysis to planning of a management system in a comprehensive manner.

We will provide comprehensive services as ICT Cost Down & Cloud Enabling™ of shared services of high cost-performance IT assets in addition to secure NI+SI construction of infrastructure/management services which are traditional IT infrastructure services that sustain the group of solutions and services as described above.

The Company has implemented measures for the Sales Department such as strengthening of human resources and the reorganization of the business structure per customer. As a result, important customers have increased.

The Company will always respond to changes in market, meet requirements of customers and strive for development of the Company Group together with customers.

(ii) Trend toward service economy

Because of the increasing burden of investment costs due to rapid technological changes in information systems and an increase in the volume of information due to the introduction/popularization of broadband and other reasons, demand for outsourcing business management services or operations to outside experts instead of taking a form of constructing and operating a system on one's own is on the increase.

In order to meet the demand, the Company will develop unique cloud-type services from an eBusiness perspective based on existing back-office management technology and ASP services and provide new services by building alliances with companies that own advanced technologies. Also, for customers who are planning to provide such services independently, the Company will expand proactively services of design/construction of platforms and operation support.

(iii) Promotion of mobile business

The SoftBank Group strives to merge broadband services for fixed-line communication and mobile communication and expand seamlessly diversified broadband content on the merged infrastructure as a comprehensive digital information company in the ubiquitous age. Under such a situation, the Company aims to maximize the synergy effect with companies of the SoftBank Group such as SoftBank Mobile Corp.

In concrete terms, the Company will engage in development/construction/operation of mobile application systems in alliance with SoftBank Mobile Corp. or other system integrators. In addition, we will aim to provide mobile application connection base services (charging, network, verification, supports for solution providers, maintenance, etc.) for corporations.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2009	As of March 31, 2010
ASSETS		
Current assets:		
Cash and deposits	3,194,645	3,581,176
Notes and accounts receivable-trade	3,735,637	3,756,673
Securities	-	200,000
Merchandise	111,877	105,370
Work-in-process	231,309	283,843
Deferred tax assets	130,973	192,337
Other current assets	545,652	460,921
Less: Allowance for doubtful accounts	(3,432)	(1,795)
Total current assets	7,946,664	8,578,528
Fixed assets:		
Property and equipment:		
Buildings and structures	169,141	171,530
Accumulated depreciation	(90,012)	(102,432)
Buildings and structures (net)	79,128	69,097
Tools, furniture and fixtures	871,620	1,042,813
Accumulated depreciation	(590,183)	(687,205)
Tools, furniture and fixtures (net)	281,437	355,608
Construction-in-progress	-	43,985
Total property and equipment	360,565	468,691
Intangible assets		
Goodwill	27,145	-
Software	436,903	441,521
Software in progress	52,086	70,402
Other intangibles	11,874	12,171
Total intangible assets	528,008	524,095
Investments and other assets:		
Investment securities	2,530,837	2,138,309
Guaranty money deposited	364,272	-
Long-term loans receivable	12,600	11,350
Deferred tax assets	385,202	497,193
Other assets	241,706	542,272
Less: Allowance for doubtful accounts	(115,593)	(31,387)
Total investments and other assets	3,419,025	3,157,737
Total fixed assets	4,307,599	4,150,524
Total assets	12,254,263	12,729,052

(Thousands of yen)

	As of March 31, 2009	As of March 31, 2010
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable-trade	3,534,377	3,484,574
Lease obligations	—	29,522
Accounts payable-other	436,981	438,377
Income taxes payable	289,940	335,498
Deposits payable	49,717	—
Reserve for bonuses for employees	233,633	254,789
Reserve for bonuses for officers	15,000	—
Reserve for loss on orders received	—	92,925
Reserve for repairs of defects	22,141	—
Other current assets	546,931	554,525
Total current assets	5,128,722	5,190,211
Fixed liabilities:		
Lease obligations	—	120,402
Deferred tax liabilities	—	1,887
Long-term advance from customers	155,154	235,458
Negative goodwill	—	15,235
Total fixed liabilities	155,154	372,983
Total liabilities	5,283,876	5,563,194
Equity:		
Owners' Equity		
Common stock	634,555	634,555
Additional paid-in capital	712,204	712,204
Retained earnings	6,297,525	6,519,075
Less: Treasury stock	(745,910)	(747,553)
Total owners' Equity	6,898,375	7,118,282
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	712	58,625
Foreign currency translation adjustments	9,211	(11,049)
Total valuation and translation adjustments	9,924	47,575
Minority interests	62,088	—
Net assets	6,970,387	7,165,858
Total liabilities and equity	12,254,263	12,729,052

(2)Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Net Sales	29,371,830	28,174,456
Cost of sales	26,569,205	25,637,678
Gross profit	2,802,625	2,536,777
Selling, general and administrative expenses	1,795,871	1,694,850
Operating income	1,006,754	841,926
Non-operating income		
Interest income	24,589	25,096
Dividends income	5,339	6,293
Equity in earnings of affiliates	47,044	66,944
Miscellaneous income	15,191	17,922
Total non-operating income	92,165	116,256
Non-operating expenses		
Interest expense	-	1,905
Cost of treasury stock	3,231	-
Loss on investment in investment partnerships	26,602	11,491
Provision of allowance for doubtful accounts	105	14,954
Miscellaneous losses	711	136
Total non-operating expenses	30,650	28,488
Ordinary income	1,068,268	929,695
Special income		
Gain on sale of fixed assets	60	5
Gain on sale of investment securities	4,106	161,228
Gain on sale of shares of subsidiaries	-	6,130
Gain on transfer of business	-	19,695
Reversal of allowance for doubtful accounts	10,093	2,539
Compensation for removal	7,671	-
Tax refund from reinvestment	2,959	-
Total special income	24,891	189,600
Special loss		
Loss on sale of fixed assets	-	142
Loss on disposal of fixed assets	11,634	2,432
Loss on sale of investment securities	33,739	10,046
Valuation loss on investment securities	621,518	427,361
Extraordinary depreciation cost for fixed assets	51,321	61,248
Provision of allowance for doubtful accounts	5,082	-
Other special loss	10,641	36,608
Total special loss	733,938	537,839
Income before income taxes and minority interests	359,220	581,456
Income taxes: Current	357,946	385,201
: Deferred	(169,238)	(193,282)
Total income taxes	188,707	191,919
Minority interests or minority interests in loss (-)	(40,517)	13,085
Net income	211,030	376,451

(3) Consolidated Statements of Changes in Equity

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Owners' Equity		
Common stock		
Balance at the end of the previous year	634,555	634,555
Changes during the year		
Total changes during the year	-	-
Balance at the end of the year	634,555	634,555
Additional paid-in capital		
Balance at the end of the previous year	712,204	712,204
Changes during the year		
Total changes during the year	-	-
Balance at the end of the year	712,204	712,204
Retained earnings		
Balance at the end of the previous year	6,250,681	6,297,525
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	211,030	376,451
Total changes during the year	46,843	221,549
Balance at the end of the year	6,297,525	6,519,075
Treasury stock		
Balance at the end of the previous year	(383,278)	(745,910)
Changes during the year		
Purchase of treasury stock	(362,632)	(1,642)
Total changes during the year	(362,632)	(1,642)
Balance at the end of the year	(745,910)	(747,553)
Total owners' Equity		
Balance at the end of the previous year	7,214,163	6,898,375
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	211,030	376,451
Purchase of treasury stock	(362,632)	(1,642)
Total changes during the year	(315,788)	219,907
Balance at the end of the year	6,898,375	7,118,282

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities		
Balance at the end of the previous year	198,536	712
Changes during the year		
Net changes in accounts other than owners' Equity during the year	(197,823)	57,912
Total changes during the year	(197,823)	57,912
Balance at the end of the year	712	58,625
Foreign currency translation adjustments		
Balance at the end of the previous year	7,973	9,211
Changes during the year		
Net changes in accounts other than owners' Equity during the year	1,238	(20,261)
Total changes during the year	1,238	(20,261)
Balance at the end of the year	9,211	(11,049)
Total valuation and translation adjustments		
Balance at the end of the year	206,509	9,924
Changes during the year		
Net changes in accounts other than owners' Equity during the year	(196,585)	37,651
Total changes during the year	(196,585)	37,651
Balance at the end of the year	9,924	47,575
Minority interests		
Balance at the end of the previous year	140,710	62,088
Changes during the year		
Net changes in accounts other than owners' Equity during the year	(78,622)	(62,088)
Total changes during the year	(78,622)	(62,088)
Balance at the end of the year	62,088	-
Total net assets		
Balance at the end of the previous year	7,561,384	6,970,387
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	211,030	376,451
Purchase of treasury stock	(362,632)	(1,642)
Net changes in accounts other than owners' Equity during the year	(275,207)	(24,436)
Total changes during the year	(590,996)	195,470
Balance at the end of the year	6,970,387	7,165,858

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Cash flows from operating activities		
Income before income taxes and minority interests	359,220	581,456
Depreciation and amortization	282,027	339,876
Amortization of goodwill	14,315	6,786
Increase (decrease) in allowance for doubtful accounts	(26,773)	13,683
Increase (decrease) in reserve for bonuses for employees	(8,579)	21,156
Increase (decrease) in reserve for bonuses for officers	(3,000)	(15,000)
Increase (decrease) in reserve for loss on orders received	-	92,925
Increase (decrease) in reserve for repairs of defects	22,141	(22,141)
Loss on disposal of fixed assets	11,634	2,383
Loss on disposal of intangible fixed assets	-	48
Interest income and dividends income	(29,929)	(31,389)
Interest expenses	-	1,905
Equity in loss (earnings) of affiliates	(47,044)	(66,944)
Loss (gain) on investment in investment partnerships	26,602	11,491
Loss (gain) on sale of investment securities	29,632	(151,182)
Valuation loss (gain) of investment securities	621,518	427,361
Loss (gain) on transfer of business	-	(19,695)
Loss (gain) on sale of shares of subsidiaries	-	(6,130)
Decrease (increase) in receivables-trade	178,242	(32,853)
Decrease (increase) in inventories	121,162	(46,112)
Decrease (increase) in operating receivables	(163,496)	5,388
Increase (decrease) in payables-trade	(42,315)	(49,803)
Increase (decrease) in consumption taxes payable	(108,639)	48,178
Increase (decrease) in operating payables	83,225	6,209
Other	641	(4,334)
Subtotal	1,320,588	1,113,261
Interest and dividends received in cash	138,348	30,822
Interest expenses paid in cash	-	(1,905)
Income taxes paid in cash	(109,034)	(340,504)
Net cash used in operating activities	1,349,902	801,674

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Cash flows from investing activities		
Purchase of property and equipment	(112,335)	(249,435)
Proceeds from sale of property and equipment	6,047	567
Purchase of intangible fixed assets	(273,705)	(231,365)
Proceeds from sale of intangible fixed assets	12,136	-
Purchase of securities	-	(200,000)
Purchase of investment securities	(141,659)	(116,650)
Proceeds from sale of investment securities	192,935	404,522
Proceeds from transfer of business	-	20,500
Acquisition of shares of subsidiaries	(46,127)	(74,760)
Acquisition of shares of subsidiaries accompanied with changes in scope of consolidation	64,358	-
Proceeds from sale of shares of subsidiaries due to change in scope of consolidation	-	31,244
Decrease (increase) in short-term loans receivable	30	-
Loans receivable made	(12,600)	-
Proceeds from collection of loans receivable	55,006	1,799
Deposit of guarantee money	(16,073)	(249)
Proceeds from collection of guarantee money	29,725	5,986
Net cash (used in) provided by investing activities	(242,261)	(407,840)
Cash flows from financing activities		
Purchase of treasury stock	(365,864)	(1,658)
Cash dividends paid	(164,663)	(155,568)
Proceeds from the shift to leasing of newly acquired facilities	-	157,144
Repayment of lease obligations	-	(7,219)
Net cash (used in) provided by financing activities	(530,527)	(7,302)
Increase (decrease) in cash and cash equivalents	577,113	386,531
Cash and cash equivalents, beginning of the year	2,617,532	3,194,645
Cash and cash equivalents, end of the year	3,194,645	3,581,176

Note on Going Concern Assumption
Not applicable

Basis of Presentation of Consolidated Financial Statements

	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
1. Scope of consolidation	(1) Consolidated subsidiaries: 7 e-Commerce Technology Corporation EC Architect Corporation Movida Solutions Inc. SecureEther Marketing Inc. Movida Sports Inc. Movida Edutainment Inc. Mobile Interface Corporation e-Commerce Technology Corporation was included in the scope of consolidation because the Company newly acquired shares of the company during the consolidated fiscal year ended March 31, 2009. The Company established Mobile Interface Corporation, so it was included in the scope of consolidation. (2) Non-consolidated subsidiaries: 0	(1) Consolidated subsidiaries: 5 M-SOLUTIONS, Inc. e-Commerce Technology Corporation EC Architect Corporation SecureEther Marketing Inc. Mobile Interface Corporation Movida Solutions, Inc. changed its trade name to M-Solutions, Inc. during the consolidated fiscal year ended March 31, 2010. Movida Edutainment, Inc. and Movida Sports, Inc., completed liquidation and sold all of its shares, respectively, during the consolidated fiscal year ended March 31, 2010. Accordingly, the companies were excluded from the scope of consolidation. (2) Non-consolidated subsidiaries: Same as on the left
2. Application of equity method	(1) Equity method affiliated companies: 2 i2ts, inc. Anhui USTC eBusiness Technology Co., Ltd. e-Commerce Technology Corporation was excluded from the scope of consolidation because it became a consolidated subsidiary due to additional acquisition of shares. (2) Non-consolidated subsidiaries and affiliated companies to which equity method is not applied: Not applicable	(1) Equity method affiliated companies: 2 i2ts, inc. USTC eBusiness Technology Co., Ltd. Ustc Hengxing eBusiness Technology Co., Ltd., changed its trade name to USTC eBusiness Technology Co., Ltd. during the consolidated fiscal year ended March 31, 2010. (2) Non-consolidated subsidiaries and affiliated companies to which equity method is not applied: Same as on the left
3. Fiscal year of consolidated subsidiaries	The account settlement date of all the consolidated subsidiaries is the same as the consolidated account settlement date.	Same as on the left
4. Accounting procedures (1) Evaluation standards and methods for major assets	[1] Securities (a) Investments in non-consolidated subsidiaries and affiliated companies: Stated at cost based on the moving average method (b) —	[1] Securities (a) Investments in non-consolidated subsidiaries and affiliated companies: Same as on the left (b) Held-to-maturity debt securities Stated at cost based on the moving average method

	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
	(c) Available-for-sale securities: With market quotations: Stated at fair value, which represents the market prices at the balance sheet date (unrealized gain/loss is included as a separate component in equity, net of tax, while cost is determined using the moving-average method) Without market quotations: Stated at cost based on the moving-average method Investments in investment partners and similar partners (those that are deemed as securities in Paragraph 2, Article 2 of the Financial Instruments and Exchange Law of Japan) are stated on the method that includes the portion equivalent to equity in net value based on the latest financial reports available according to the accounting date prescribed in the partnership agreement. [2] Inventories Merchandise: Stated at cost based on the gross average method (the balance sheet value is calculated by way of inventory write-down based on decreased profitability) Work-in-process: Stated at cost based on the identified cost method (the balance sheet value is calculated by way of inventory write-down based on decreased profitability)	(c) Available-for-sale securities: With market quotations: Same as on the left Without market quotations: Same as on the left [2] Inventories Merchandise: Same as on the left Work-in-process: Same as on the left
(2) Depreciation and amortization of major depreciable assets	[1] Property and equipment (excluding leased assets) Computed using the declining-balance method (the straight-line method for part of property and equipment) Main durable years are as follows: Buildings and structures: 10 to 15 years Tools, furniture and fixtures: 4 to 15 years [2] Intangible assets: Computed using the straight-line method Software for internal use is amortized on the straight-line method over the period of internal use, i.e., 5 years. Software for sales purpose is amortized over the amortization amount based on the estimated sales revenue or the equal amortization amount based on the remaining effective period (within 3 years), whichever is larger. [3] Lease assets Finance lease without title transfer Straight-line method with the lease period as the durable years and remaining value as zero. Finance lease without title transfer whose lease starting day is prior to the start of the first year of the application of the lease accounting standard is accounted for pursuant to the method for operating leases.	[1] Property and equipment (excluding leased assets) Same as on the left [2] Intangible assets: Same as on the left [3] Lease assets Same as on the left

	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
(3) Accounting principles for major allowances and reserves	[1] Allowance for doubtful accounts: To prepare for uncollectible credits, allowance for doubtful accounts for ordinary credits is calculated based on the actual bad debt ratio, and specific allowance for doubtful accounts deemed uncollectible is calculated considering its collectability. [2] Reserve for bonuses for employees Reserve for bonuses for employees in the amount of estimated bonuses attributed to the relevant fiscal year is recorded. [3] Reserve for bonuses for officers In order to defray bonuses for officers, the amount of estimated bonuses attributed to the relevant fiscal year is recorded based on the estimated amount to be paid in the fiscal year. [4] Reserve for repairs of defects In order to prepare for future liability for defect warranty in contracts for orders, the estimated amount considering probability of occurrences of expenses for repairs of defects on individual basis is recorded. [5] —	[1] Allowance for doubtful accounts: Same as on the left [2] Reserve for bonuses for employees Same as on the left [3] Reserve for bonuses for officers — (Additional information) Bonuses for officers payable were previously presented as the reserve for bonuses for officers. However, the aggregate amount of bonuses for officers is determined to be fixed at the end of the current consolidated fiscal year. Therefore, effective from the consolidated fiscal year ended March 31, 2010, such amount is presented in “accounts payable-other”. [4] — [5] Reserve for loss on orders received To provide for future loss on order contracts, we accounted for the estimated amount that is larger than the balance of work-in-process of the projects received on hand at the end of the consolidated fiscal year ended March 31, 2010, which are highly likely to incur losses and possible to estimate the amount on a reasonable basis.

	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
(4) Accounting standard for recording material revenues and costs	−	Accounting standards for recording amounts of completed work and cost of completed work [1] Percentage-of-completion method is applied to a contract if the outcome of the construction contract can be estimated reliably as of the end of the consolidated fiscal year under review (estimate of percent of completion is based on the cost-to-cost method). [2] Completed-contract method is applied to other construction contracts. (Changes in accounting policies) Previously, revenues from software of made-to-order had been recognized under the completed-contract method. Effective from the orders, which the Company started during the consolidated fiscal year under review, the Company has applied the Accounting Standard for Construction Contract (ASBJ Statement No. 15, issued on December 27, 2007) and the Guidance on Application of Accounting Standards for Construction Contracts (ASBJ Guidance No. 18, issued on December 27, 2007). Accordingly, with regard to construction contracts commenced during the consolidated fiscal year, the percentage-of-completion method is applied if the outcome of construction activities can be accurately estimated as of the end of the consolidated fiscal year (the rate of progress is estimated using the cost-to-cost method). The completed-construction method has been applied to all other projects. The impact on net sales, operating income, ordinary income, and net income before taxes is nominal. The impact on segment information is stated in the relevant place.
(5) Other significant matter for preparing consolidated financial statements	Processing method of consumption taxes The tax exclusion method is applied.	Processing method of consumption taxes Same as on the left
5. Valuation of assets and liabilities of consolidated subsidiaries	The assets and liabilities of consolidated subsidiaries are valued at fair value at the time of acquisition and recognized in the consolidated balance sheet in the entirety.	Same as on the left
6. Amortization of goodwill	Goodwill is amortized on the straight-line basis over reasonably estimated periods in which economic benefits are expected to be realized. Immaterial goodwill is expenses as incurred.	Same as on the left
7. Scope of cash and cash equivalents in the consolidated statements of cash flows	Cash and cash equivalents included in the scope of cash and cash equivalents in the consolidated statements of cash flows are highly liquid investments with initial maturities of three months or less and a low risk of fluctuation in value.	Same as on the left

Changes in Basis of Presentation of Consolidated Financial Statements

Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
(Measurement of inventories) Inventories were previously evaluated at cost using the identified cost method or gross average method. However, effective from the consolidated fiscal year ended March 31, 2009, the Company adopted the Accounting Standard for Measurement of Inventories (ASBJ Statement No. 9), and these inventories are measured at cost using the identified cost method or gross average method (the balance sheet value is calculated by way of inventory write-down based on decreased profitability). There was no effect of this change on the consolidated operating income, ordinary income, and income before income taxes.	–
(Accounting standard for lease transactions) Finance leases transactions without title transfer were formerly accounted for in accordance with the method conforming to that regarding operating leases. Effective from the consolidated fiscal year ended March 31, 2009, the Accounting Standard for Lease Transactions (ASBJ Statement No. 13) and Guidance on Accounting Standard for Lease Transactions (ASBJ Guidance No. 16) have been applied. With regard to finance lease without transfer title that lease transactions occurred prior to the beginning of the fiscal year to which they are applied, the unexpired lease amount as of the end of the preceding fiscal year is recorded as an acquisition amount and posted as lease assets. There was no effect of this change on the consolidated operating income, ordinary income, and income before income taxes.	–
(Presentation of cost of sales) Cost incurred in the technology department that was unable to allocate to products was previously accounted for in selling, general and administrative expenses. Effective from the consolidated fiscal year ended March 31, 2009, it was changed to a method by which all of the expenses in the technology department are accounted for as cost of sales. Taking the opportunity of the importance of the solution business being elevated, the Group made a company-wide review of details of business and the cost control structure, positioned all the technological departments as departments that provide services, and established the structure in which accrued expenses in technological departments are allocated to respective project by introducing a new system from this fiscal year. This change was conducted in order to present operating results more appropriately through strict cost control that was realized as a result of above. Accordingly, compared with the previous method, cost for sales for the current consolidated fiscal year increased by ¥2,755,560 thousand, gross profit on sales decreased by the same amount, and selling, general and administrative expenses decreased by ¥2,850,706 thousand, work-in-process increased by ¥59,050 thousand, software in process increased by ¥36,095 thousand, and operating income, ordinary income and net income before taxes increased by ¥95,145 thousand, respectively. The effect of this change on the segment information is referred to in the relevant place.	–

Changes in Method of Presentation

Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
(Consolidated Balance Sheet) 1.With the adoption of the "Cabinet Office Order Partially Amending Terminology, Format and Method of Presentation of Financial Statements" (Cabinet Office Order No. 50, August 7, 2008), what had been stated in the previous consolidated fiscal year as "Inventories" is, from the consolidated fiscal year under review, stated separately as "Merchandise," "Work-in-process." "Merchandise," "Work-in-process" included in "Inventories" of the previous consolidated fiscal year were ¥240,755 thousand, ¥222,499 thousand, respectively.	(Consolidated Balance Sheet) 1. Guaranty money deposited is 5/100 or less of the aggregate amount of assets as of March 31, 2010. Accordingly, the item is included in Other of investment and other assets. Guaranty money deposited at the end of the current consolidated fiscal year was ¥358,535 thousand. 2. Deposits payable is 5/100 or less of the aggregate amount of liabilities and net assets as of March 31, 2010. Accordingly, the item is included in Other of current liabilities. Deposits payable at the end of the current consolidated fiscal year was ¥24,505 thousand.
—	(Consolidated Statements of Income) 1. Cost of treasury stock is 10/100 or less than the aggregate amount of non-operating expenses for the current consolidated fiscal year ended March 31, 2010. Accordingly, the item is included in Miscellaneous losses of non-operating expenses. Cost of treasury stock for the current consolidated fiscal year was ¥16 thousand.

Notes to Consolidated Financial Statements
(Segment Information)
a. Segment information per business
For the fiscal year ended March 31, 2009

(Thousands of yen)

	eBusiness Service	Solution	Total	Elimination of intersegment transactions or expenses of the corporate division	Amounts in consolidated statement of income
I. Net sales and segment income/loss					
Net sales:					
(1) Customers	17,203,349	12,168,481	29,371,830	-	29,371,830
(2) Inter-segment	-	-	-	-	-
Total	17,203,349	12,168,481	29,371,830	-	29,371,830
Operating expenses	16,253,598	12,111,477	28,365,076	-	28,365,076
Operating income	949,750	57,003	1,006,754	-	1,006,754
II. Assets, depreciation and amortization, and capital expenditure					
Assets	1,998,916	3,787,583	5,786,499	6,467,764	12,254,263
Depreciation and amortization	85,132	154,267	239,400	42,627	282,027
Capital expenditure	198,935	214,220	413,155	17,514	430,670

Notes:

1. Method of business segmentation
   Businesses are classified in accordance with similarity of products/finished goods and services that the Company provided to customers.
2. Major products/finished goods and services in each segment

Business segment	Major products/finished goods and services
eBusiness service	Sales of software, PC-related products using EC sites, operational services from shops on EC sites to back-office, services of settlement/collection on customers' behalf, and technical support business for PCs and other products, and various services
Solution	Consulting of business system/security system/network infrastructure system, etc., services from design/construction to operation/monitoring/maintenance, provision of services of development/construction/operation of mobile application systems

3. Company assets included in elimination or expenses of the corporate division amounted to ¥6,893,266 thousand. Major components of such expenses were Company-managed resources (cash and cash equivalents), long-term investment resources (investment securities), and the assets relating to the Company's administrative management division.
4. Changes in accounting principle
   As was described in Changes in Basis of Presentation of Consolidated Financial Statements, cost incurred in the technology department that was unable to allocate to products was previously accounted for in selling, general and administrative expenses. Effective from the consolidated fiscal year ended March 31, 2010, it was changed to the method by which all of the expenses in the technology department are accounted for as cost of sales.
   Taking the opportunity of the importance of the solution business being elevated, the Group made a company-wide review of details of business and the cost control structure, positioned all the technological departments as departments that provide services, and established the structure in which accrued expenses in technological departments are allocated to respective projects by introducing a new system from this fiscal year. This change was conducted in order to present operating results more appropriately through strict cost control that was realized as a result of the above. Accordingly, operating income in eBusiness service for the consolidated fiscal year ended March 31, 2010 increased by ¥26,760 thousand, while it increased by ¥68,385 thousand in solution compared with the previous method.

For the fiscal year ended March 31, 2010

(Thousands of yen)

	eBusiness Service	Solution	Total	Elimination of intersegment transactions or expenses of the corporate division	Amounts in consolidated statement of income
I. Net sales and segment income/loss					
Net sales:					
(1) Customers	17,208,544	10,965,912	28,174,456	-	28,174,456
(2) Inter-segment	-	-	-	-	-
Total	17,208,544	10,965,912	28,174,456	-	28,174,456
Operating expenses	16,240,404	11,092,124	27,332,529	-	27,332,529
Operating income or operating loss (-)	968,139	(126,212)	841,926	-	841,926
II. Assets, depreciation and amortization, and capital expenditure					
Assets	2,001,678	3,914,592	5,916,271	6,812,781	12,729,052
Depreciation and amortization	99,868	199,069	298,938	40,938	339,876
Capital expenditure	122,670	344,481	467,152	8,010	475,163

Notes:

1. Method of business segmentation

Businesses are classified in accordance with similarity of products/finished goods and services that the Company provided to customers.

2. Major products/finished goods and services in each segment

Business segment	Major products/finished goods and services
eBusiness service	Sales of software, PC-related products using EC sites, operational services from shops on EC sites to back-office, services of settlement/collection on customers' behalf, and technical support business for PCs and other products, and various services
Solution	Consulting of business system/security system/network infrastructure system, etc., services from design/construction to operation/monitoring/maintenance, provision of development/construction/operation services of mobile application systems

3. Company assets included in elimination or expenses of the corporate division amounted to ¥6,995,202 thousand. Major components of such expenses were Company-managed resources (cash and cash equivalents), long-term investment resources (investment securities), and the assets relating to the Company's administrative management division.

4. Changes in method of accounting processing

As was described in Changes in Basis of Presentation of Consolidated Financial Statements, the Company has applied the Accounting Standard for Construction Contract (ASBJ Statement No. 15, issued on December 27, 2007) and the Guidance on Application of Accounting Standards for Construction Contracts (ASBJ Guidance No. 18, issued on December 27, 2007). The impact on segment information is insignificant.

b. Geographic segment information

As there is not any consolidated subsidiary nor a material overseas branch in countries or regions other than Japan for the previous consolidated fiscal year and the current consolidated fiscal year, this is not applicable.

c. Overseas sales

As overseas sales accounted for less than 10% of consolidated sales for the previous consolidated fiscal year and the current consolidated fiscal year, overseas sales are omitted.

(Per Share Data)

Fiscal year ended March 31, 2009		Fiscal year ended March 31, 2010	
Net assets per share (yen)	713.57	Net assets per share (yen)	740.40
Net income per share – primary (yen)	21.15	Net income per share – primary (yen)	38.89
Net income per share – diluted (yen)	21.15	Net income per share – diluted (yen)	-

(Note)1. Basic data for computation of the per share data

Item	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
Total amount of net assets in the consolidated balance sheet (thousands of yen)	6,970,387	7,165,858
Net assets amount of common stocks (thousands of yen)	6,908,299	7,165,858
Major cause for the difference (thousands of yen): Minority interests	62,088	-
Number of common stock outstanding	10,640,200	10,640,200
Number of treasury stock of common stock	958,866	961,775
Number of common stock used for computation of per share net assets amount	9,681,334	9,678,425

2. Basic data for computation of net income per share – primary and net income per share – diluted

Item	Fiscal year ended March 31, 2009	Fiscal year ended March 31, 2010
Net income per share		
Net income (thousands of yen)	211,030	376,451
Amounts not allocated to shareholders (thousands of yen)	-	-
Net income allocated to common stock outstanding (thousands of yen)	211,030	376,451
Weighted average number of common stock outstanding during each year (unit: shares)	9,978,915	9,678,855
Net income per share – diluted		
Adjusted net income (thousands of yen)	-	-
Increase in common stock (unit: shares)	-	-
(residual stock in relation to stock option)	[-]	[-]
Residual securities, which do not dilute net income per share	Stock acquisition rights: 3 kinds 234,900 Shares	Stock acquisition rights: 2 kinds 144,200 Shares

(Significant Subsequent Events)
Not applicable

The following footnotes are omitted from the disclosure of the consolidated financial results since the Company judges the need to include these footnotes in the disclosure to be less significant.

- Lease transactions
- Related party transactions
- Income Taxes
- Financial instruments
- Securities
- Retirement benefits
- Stock options and other
- Business Combinations

5. Non-consolidated Financial Statements

(1) Non-consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2009	As of March 31, 2010
ASSETS		
Current assets:		
Cash and deposits	2,869,790	3,240,602
Notes receivable-trade	4,317	4,802
Accounts receivable-trade	3,527,311	3,695,475
Securities	-	200,000
Merchandise	111,877	105,370
Work-in-process	208,424	272,919
Stored goods	441	-
Prepaid expenses	396,443	342,767
Deferred tax assets	125,951	188,746
Short-term loans receivable from non-consolidated subsidiaries and affiliated companies	80,000	-
Accounts receivable – other	124,091	108,773
Other current assets	17,428	9,192
Less: Allowance for doubtful accounts	(3,038)	(1,582)
Total current assets	7,463,039	8,167,066
Fixed assets:		
Property and equipment		
Buildings and structures	169,141	170,830
Accumulated depreciation	(90,012)	(102,374)
Buildings and structures (net)	79,128	68,456
Tools, furniture and fixtures	837,870	1,020,059
Accumulated depreciation	(567,335)	(671,461)
Tools, furniture and fixtures (net)	270,534	348,598
Construction-in-progress	-	43,985
Total property and equipment	349,663	461,040
Intangible assets		
Software	432,492	439,173
Software in progress	52,086	70,402
Other intangibles	11,696	11,992
Total intangible assets	496,274	521,568
Investments and other assets:		
Investment securities	1,834,943	1,392,835
Investment in non-consolidated subsidiaries and affiliated companies	849,783	817,307
Long-term loans receivable	12,600	11,350
Loans in bankruptcy and regeneration	97,911	-
Long-term prepaid expenses	120,419	160,361
Deferred tax assets	384,031	493,869
Guaranty money deposited	364,272	358,535
Other assets	18,292	18,292
Less: Allowance for doubtful accounts	(110,511)	(26,304)
Total investments and other assets	3,571,743	3,226,246
Total fixed assets	4,417,681	4,208,854
Total assets	11,880,720	12,375,921

(Thousands of yen)

	As of March 31, 2009	As of March 31, 2010
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable-trade	3,458,916	3,514,455
Lease obligations	-	29,522
Accounts payable-other	429,536	440,997
Accrued expenses payable	28,405	22,503
Income taxes payable	283,987	330,860
Advance from customers	501,151	458,222
Deposits payable	46,543	21,854
Reserve for bonuses for employees	209,484	233,224
Reserve for bonuses for officers	15,000	-
Reserve for loss on orders received	-	72,435
Reserve for repairs of defects	22,141	-
Other current assets	9	42,961
Total current assets	4,995,176	5,167,036
Fixed liabilities		
Lease obligations	-	120,402
Long-term advance from customers	155,154	235,458
Total fixed liabilities	155,154	355,860
Total liabilities	5,150,330	5,522,897
Equity:		
Owners' Equity		
Common stock	634,555	634,555
Additional paid-in capital		
Capital legal reserve	712,204	712,204
Total additional paid-in capital	712,204	712,204
Retained earnings		
Earned surplus reserve	5,935	5,935
Other retained earnings		
Retained earnings carried forward	6,096,627	6,191,857
Total retained earnings	6,102,562	6,197,792
Less: Treasury stock	(745,910)	(747,553)
Total owners' Equity	6,703,411	6,796,998
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities	26,978	56,024
Total valuation and translation adjustments	26,978	56,024
Net assets	6,730,390	6,853,023
Total liabilities and equity	11,880,720	12,375,921

(2) Non-consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Net sales	28,599,217	27,672,935
Cost of sales	25,940,760	25,195,919
Gross profit	2,658,457	2,477,016
Selling, general and administrative expenses	1,617,625	1,597,300
Operating income	1,040,831	879,715
Non-operating income		
Interest income	25,719	25,494
Dividends income	222,870	20,006
Miscellaneous income	9,449	11,864
Total non-operating income	258,039	57,366
Non-operating expenses		
Interest expenses	-	3,794
Cost of treasury stock	3,231	-
Loss on investment in investment partnerships	26,602	11,491
Provision of allowance for doubtful accounts	105	14,954
Miscellaneous losses	1,699	33
Total non-operating expenses	31,639	30,274
Ordinary income	1,267,232	906,807
Special income		
Gain on sale of investment securities	3,036	116,568
Reversal of allowance for doubtful accounts	10,093	2,146
Tax refund from reinvestment	2,959	-
Total special income	16,088	118,714
Special loss		
Loss on disposal of fixed assets	10,769	-
Loss on sale of investment securities	33,739	10,046
Valuation loss on investment securities	621,518	500,618
Extraordinary depreciation cost for fixed assets	8,567	61,248
Other special loss	-	18,970
Total special loss	674,595	590,884
Income before income taxes and minority interests	608,725	434,637
Income taxes: Current	349,299	377,066
: Deferred	(163,801)	(192,559)
Total income taxes	185,497	184,506
Net income	423,227	250,131

(3) Non-consolidated Statements of Changes in Equity

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Owners' Equity		
Common stock		
Balance at the end of the previous year	634,555	634,555
Changes during the year		
Total changes during the year	-	-
Balance at the end of the year	634,555	634,555
Additional paid-in capital		
Capital legal reserve		
Balance at the end of the previous year	712,204	712,204
Changes during the year		
Total changes during the year	-	-
Balance at the end of the year	712,204	712,204
Total additional paid-in capital		
Balance at the end of the previous year	712,204	712,204
Changes during the year		
Total changes during the year	-	-
Balance at the end of the year	712,204	712,204
Retained earnings		
Capital legal reserve		
Balance at the end of the previous year	5,935	5,935
Changes during the year		
Total changes during the year	-	-
Balance at the end of the year	5,935	5,935
Other retained earnings		
Retained earnings carried forward		
Balance at the end of the previous year	5,837,586	6,096,627
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	423,227	250,131
Total changes during the year	259,040	95,230
Balance at the end of the year	6,096,627	6,191,857
Total retained earnings		
Balance at the end of the previous year	5,843,521	6,102,562
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	423,227	250,131
Total changes during the year	259,040	95,230
Balance at the end of the year	6,102,562	6,197,792
Treasury stock		
Balance at the end of the previous year	(383,278)	(745,910)
Changes during the year		
Purchase of treasury stock	(362,632)	(1,642)
Total changes during the year	(362,632)	(1,642)
Balance at the end of the year	(745,910)	(747,553)

(Thousands of yen)

	Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
Total Owners' Equity		
Balance at the end of the previous year	6,807,003	6,703,411
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	423,227	250,131
Purchase of treasury stock	(362,632)	(1,642)
Total changes during the year	(103,591)	93,587
Balance at the end of the year	6,703,411	6,796,998
Valuation and translation adjustments		
Unrealized gain on available-for-sale securities		
Balance at the end of the previous year	210,745	26,978
Changes during the year		
Net changes in accounts other than owners' Equity during the year	(183,766)	29,046
Total changes during the year	(183,766)	29,046
Balance at the end of the year	26,978	56,024
Total valuation and translation adjustments		
Balance at the end of the previous year	210,745	26,978
Changes during the year		
Net changes in accounts other than owners' Equity during the year	(183,766)	29,046
Total changes during the year	(183,766)	29,046
Balance at the end of the year	26,978	56,024
Total net assets		
Balance at the end of the previous year	7,017,748	6,730,390
Changes during the year		
Cash dividends	(164,187)	(154,901)
Net income	423,227	250,131
Purchase of treasury stock	(362,632)	(1,642)
Net changes in accounts other than owners' Equity during the year	(183,766)	29,046
Total changes during the year	(287,358)	122,633
Balance at the end of the year	6,730,390	6,853,023

Note on Going Concern Assumption

Not applicable

Changes in Presentation

Fiscal year ended March 31, 2009 (April 1, 2008 to March 31, 2009)	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)
–	(Non-consolidated Balance Sheet) 1. Stored goods are 1/100 or less of the aggregate amount of assets at the end of the current business year ended March 31, 2010. Accordingly, the item is included in other current assets of current assets. Stored goods at the end of the current business year were ¥829 thousand.
–	(Non-consolidated Statements of Income) 1. Interest expenses had been included in Miscellaneous losses of non-operating expenses and presented accordingly until the previous fiscal year. However, the item exceeded 10/100 of the aggregate amount of non-operating expenses for the current business year; therefore, it is separately listed. Interest expenses for the previous fiscal year was ¥1,686 thousand. 2. Cost of treasury stock is 10/100 or less of the aggregate amount of non-operating expenses for the fiscal year ended March 31, 2010. Accordingly, the item is included in Miscellaneous losses of non-operating expenses. Cost of treasury stock for the current fiscal year was ¥16 thousand. 3. Loss on disposal of fixed assets is 10/100 or less of the special loss for the fiscal year ended March 31, 2010. Accordingly, the item is included in other special loss of special loss. Loss on disposal of fixed assets for the current fiscal year was ¥1,575 thousand.

6. Other

(1)Transfer of officers

(i) Transfer of President & Chief Executive Officer

Not applicable

(ii) Transfer of other officers

- Candidates for position of a director

Mitsuhiro Sato (currently general manager in charge of the online business, and concurrently an operating officer in charge of Web business services)

Koichi Maruyama (currently an operating officer in charge of platform business)

(iii) They are scheduled to assume the position on June 19, 2010.

(2) Other

Not applicable