Disclaimer
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, 2011

[Japanese GAAP]
May 9, 2011

SoftBank Technology Corp. (Tokyo Stock Exchange/Code No. 4726)
(URL http://www.softbanktech.co.jp/)
Representative: Norikazu Ishikawa, President and CEO
Contact: Naoki Shimizu, Director, Senior General Manager of Administrative Division Phone: +81-3-5206-3316

Date of General Shareholders' Meeting (scheduled):	June 22, 2011
Dividend Payable Date (scheduled):	June 23, 2011
Filing of Securities Report (scheduled):	June 22, 2011
Supplementary Documents for Financial Results:	Yes
Financial Results Briefing:	Yes (for analysts)

(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, 2011	29,614	5.1	1,288	53.1	1,133	21.9	475	26.4
Fiscal year ended March 31, 2010	28,174	(4.1)	841	(16.4)	929	(13.0)	376	78.4

Note: Comprehensive income
Fiscal year ended March 31, 2011: 387 million yen (- 12.8%) Fiscal year ended March 31, 2010: 444 million yen (- %)

	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, 2011	49.17	-	6.5	8.7	4.4
Fiscal year ended March 31, 2010	38.89	-	5.3	7.4	3.0

Reference: Equity in earnings of non-consolidated subsidiaries and affiliates
Fiscal year ended March 31, 2011: - 188 million yen Fiscal year ended March 31, 2010: 66 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, 2011	13,337	7,398	55.5	764.46
As of March 31, 2010	12,729	7,165	56.3	740.40

Reference: Shareholders' equity
As of March 31, 2011: 7,398 million yen As of March 31, 2010: 7,165 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, 2011	1,470	(607)	(180)	4,264
Fiscal year ended March 31, 2010	801	(407)	(7)	3,581

2. Dividends

	Dividends per share					Total amount of dividends (Annual)	Payout ratio (Consolidated)	Dividend on net assets (Consolidated)
	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, 2010	-	0.00	-	16.00	16.00	154	41.1	2.2
Fiscal year ended March 31, 2011	-	0.00	-	16.00	16.00	154	32.5	2.1
Fiscal year ending March 31, 2012 (Forecast)	-	0.00	-	16.00	16.00		22.1	

3. Forecasts on the Consolidated Operation Results for the Fiscal Year Ending March 31, 2012 (April 1, 2011 – March 31, 2012)

(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	13,500	(3.2)	450	(4.9)	600	13.9	320	39.7	33.06
Full year	29,000	(2.1)	1,200	(6.9)	1,350	19.2	700	47.1	72.33

4. Other

(1) Significant changes in scope of consolidation (Changes in scope of consolidation of specified subsidiaries): Yes

Newly consolidated subsidiary: None Excluded: Two e-Commerce Technology Corporation
EC Architects Corporation

Note: For more details, refer to "Basis of the Preparation of the Consolidated Financial Statements" on page 14.

(2) Changes in accounting principles, procedures, disclosure methods, etc., pertaining to the presentation of the consolidated financial statements

[1] Changes due to revisions in accounting standards: Yes
[2] Changes other than those in [1]: None

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

(3) Number of shares issued (Common stock)

[1] Number of shares issued (including treasury stock)
As of March 31, 2011: 10,640,200 shares As of March 31, 2010: 10,640,200 shares
[2] Number of shares of treasury stock
As of March 31, 2011: 961,775 shares As of March 31, 2010: 961,775 shares
[3] Average number of shares outstanding
Fiscal year ended March 31, 2011: 9,678,425 shares Fiscal year ended March 31, 2010: 9,678,855 shares

[For Reference]

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, 2011	29,207	5.5	1,239	40.9	1,384	52.6	743	197.4
Fiscal year ended March 31, 2010	27,672	(3.2)	879	(15.5)	906	(28.4)	250	(40.9)

	Net income per share – basic	Net income per share – diluted
	(yen)	(yen)
Fiscal year ended March 31, 2011	76.85	-
Fiscal year ended March 31, 2010	25.84	-

(2) Non-consolidated Financial Condition

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	%	(yen)
As of March 31, 2011	13,307	7,405	55.6	765.14
As of March 31, 2010	12,375	6,853	55.4	708.07

Note: Shareholders' equity:
As of March 31, 2011: 7,405 million yen As of March 31, 2010: 6,853 million yen

*Statements Relating to Implementation of Audit Procedures

This financial report falls outside the scope of audit procedures under the Financial Instruments and Exchange Act. The audit procedures for financial statements under the Financial Instruments and Exchange Act are yet to be completed at the time of disclosure of this financial report.

*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 2 of the Appendix "Overview of Results of Operations" for assumptions of the earnings forecast and matters to be noted in using the forecast.

Appendix
Table of Contents

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 - basic
Fiscal year ended March 31, 2011	29,614	1,288	1,133	475	49.17
Fiscal year ended March 31, 2010	28,174	841	929	376	38.89
Change (%)	5.1%	53.1%	21.9%	26.4%	26.4%

(i) Business Overview

During the consolidated fiscal year under review, the Japanese economy showed signs of a recovery supported by increased demand from emerging economies and the economic measures to stimulate domestic demand, but the economy did not gather sufficient strength due to the appreciation of the yen and deflation. Under these circumstances, the Great East Japan Earthquake that struck on March 11, 2011 created uncertainties on the economic outlook.

Under this business condition, net sales for the consolidated fiscal year under review increased ¥1,440 million (5.1%) year-on-year to ¥29,614 million, with operating income of ¥1,288 million, up ¥446 million (53.1%) from the previous fiscal year. The increases were driven by steady sales in the eBusiness Service business and the return to profitability with the earnings recovery of the Solution business. Ordinary income increased ¥203 million (21.9%) year-on-year to ¥1,133 million while incurring a loss on equity investments by affiliates. Net income increased 26.4% year-on-year to ¥475 million driven by a ¥120 million improvement in extraordinary loss.

(ii) Results by Business Segment

(Millions of yen)

	Fiscal year ended March 31, 2010		Fiscal year ended March 31, 2011		Change	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
eBusiness Service	17,208	968	16,826	866	(382)	(101)
Solution	10,965	(126)	12,788	422	1,822	548
Total consolidated	28,174	841	29,614	1,288	1,440	446

(eBusiness Service)

Net sales for the consolidated fiscal year under review decreased 2.2% year-on-year to ¥16,826 million with operating income of ¥866 million, a 10.5% decrease year-on-year. The transfer of contact center services to the Solution business this fiscal year and the initial investments to expand businesses into the East Asian neighbor countries contributed to the decrease.

Virus protection software sales were robust with stable orders from the auto-renewal system (auto-renewals of licenses).

(Solution)

Net sales for the consolidated fiscal year under review increased 16.6% year-on-year to ¥12,788 million with operating income of ¥422 million compared to an operating loss of ¥126 million the previous fiscal year. Net sales increased because of orders from the SoftBank Group, while operating profit was boosted by the absence of losses incurred from an unprofitable major project in the previous fiscal year, combined with the effects of cost reductions and the improved capacity utilization ratio on the back of sales increases.

(iii) Forecast for the Fiscal Year Ending March 31, 2012

(Millions of yen) (Yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Fiscal year ending March 31, 2012 (forecast)	29,000	1,200	1,350	700	72.33
Fiscal year ended March 31, 2011 (actual)	29,614	1,288	1,133	475	49.17
Change (%)	(2.1%)	(6.9%)	19.2%	47.1%	47.1%

Amid uncertainties in the Japanese economy caused by the Great East Japan Earthquake and the following power shortages, a possible decline in information technology investments by corporate customers is a concern going forward.

In view of this, the Company Group will look for new revenue sources from the eBusiness Service business in the rapidly growing East Asian neighbor economies while continuing to ensure stable sales from the auto-renewal (auto-renewal of license) system for virus protection software.

In the Solution business, the Company Group will strive to tap new demand under a harsh business environment by selling power-saving servers that conserve electricity in information systems functions, providing services for private cloud development that allow customers to reduce the number of servers, and by expanding sales of Online Service Gate® and other proprietary cloud services.

By implementing the above plans, we expect consolidated net sales of ¥29,000 million (decrease 2.1% year-on-year), operating income of ¥1,200 million (decrease 6.9% year-on-year), ordinary income of ¥1,350 million (increase 19.2% year-on-year), and net income of ¥700 million (increase 47.1% year-on-year) for the next consolidated fiscal year.

(2) Overview of Financial Position

(i) Assets, Liabilities, and Net Assets

(Millions of yen)

	As of March 31, 2010	As of March 31, 2011	Change
Total assets	12,729	13,337	608
Net assets	7,165	7,398	232
Shareholders' equity ratio	56.3%	55.5%	(0.8) point
Net assets per share	740.40 yen	764.46 yen	24.06 yen

(Assets)

Assets totaled ¥13,337 million at the end of this consolidated fiscal year, a ¥608 million increase from the end of the previous fiscal year.

Current assets increased by ¥994 million from the end of the previous fiscal year due to increases in cash and deposits and notes and accounts receivables-trade.

Fixed assets decreased by ¥385 million from the end of the previous fiscal year mainly due to a decrease in investment securities.

(Liabilities)

Liabilities were ¥5,938 million at the end of this consolidated fiscal year, a ¥375 million increase from the end of the previous fiscal year.

Current liabilities increased by ¥223 million from the end of the previous fiscal year mainly due to an increase in accounts payable-trade.

Fixed liabilities increased by ¥152 million from the end of the previous fiscal year mainly due to an increase in long-term advance from customers.

(Net Assets)

Net assets were ¥7,398 million at the end of this consolidated fiscal year, a ¥232 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, 2010	Fiscal year ended March 31, 2011	Change
Cash flows from operating activities	801	1,470	669
Cash flows from investing activities	(407)	(607)	(199)
Cash flows from financing activities	(7)	(180)	(173)
Change in cash and cash equivalents	386	683	296
Cash and cash equivalents at the end of the year	3,581	4,264	683

Cash and cash equivalents totaled ¥4,264 million at the end of this consolidated fiscal year, a ¥683 million increase from the end of the previous fiscal year.

The status of cash flows at the end of this fiscal year and the contributing factors are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥1,470 million. The main factors in the increase were income before income taxes and minority interests of ¥904 million, depreciation and amortization of ¥303 million, and an increase in payables-trade of ¥543 million. The main factor in the decrease was income taxes paid in cash of ¥537 million.

(Cash flows from investing activities)

Net cash used in investing activities was ¥607 million. The main factors in the decrease were the purchase of property and equipment of ¥216 million, the purchase of intangible fixed assets of ¥169 million, and the purchase of investment securities of ¥590 million. The main factor in the increase was the proceeds from the sales of investment securities of ¥415 million.

(Cash flows from financing activities)

Net cash used in financing activities was ¥180 million. The main factor in the decrease was cash dividends paid of ¥155 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 for the long term. Free cash flows will go into the development of personnel and technology to expand existing businesses and to invest in new businesses to increase corporate value. SoftBank Technology Corp.'s basic policy is to return profits to shareholders by confirming the development of operation results in a fast-changing environment and by 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 paid at the end of the previous consolidated fiscal year ended March 31, 2010.

A year-end dividend of 16.00 yen per share is scheduled for the next consolidated fiscal year ending March 31, 2012.

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

2. The SoftBank Technology Group

The Company Group (the Company and its affiliates) consists of the Company (SoftBank Technology Corp.), its two consolidated subsidiaries, and one equity method affiliate. The Company Group operates the following eBusiness service and solution businesses.

(1) eBusiness service

The e-commerce website business operated by the Company Group consists of the following three businesses: (i) sales of software, personal computers, and related products via e-commerce websites run by the Company Group; (ii) one-stop total e-commerce services for back-office operations from online sales, order processing, logistics, and sales administration to settlement and collection via e-commerce websites; and (iii) the provision of overall technologies and services that range from consulting for e-commerce systems for online shops to back-office operations, designing and developing systems, and the provision of back-office services on an outsourcing basis.

(2) Solution

This business operated by the Company Group consists of two businesses: Online Business Solution & Service and Cloud Enabling®. The Online Business Solution & Service offers serviced applications for (i) web marketing and e-commerce platform services and (ii) the development of mobile applications and platform services for corporations.

Cloud Enabling® provides (i) server storage, security systems, and network integration services; (ii) secure maintenance services 24 hours a day, 365 days a year; (iii) cloud services of online sharing of large files; and (iv) access to secure cloud services for mobile devises.

3. Management Policies

(1) Basic Policy of Management of the Company

Our corporate philosophy is to create advanced communications technology platforms through innovations in digital information technology for high-quality communications between individuals, individuals and corporations, and corporations and corporations. We strive to provide the optimal and best information technology in a timely manner without being limited to specific manufactures, vendors, and carriers.

(2) Target Indicators

The Company Group measures performance and operational efficiency based on profits by segment and project, focusing on profit indicators, with part of the bonuses for directors and employees linked to achievement of targets. Furthermore, the Company Group focuses on operating income margin and recurring income margin to emphasize added value and improve operational efficiency, while using ROE (return on equity) from the perspective of efficient use of shareholder equity and increasing shareholder value.

(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 is responsible for the technology field, will acquire advanced business models, obtain and accumulate sophisticated technologies by participating in new businesses with the SoftBank Group, and acquire new customers. We will ensure stability and growth of revenue by satisfying the requirements for information systems for the group companies and proactively proceeding with business alliances.

On the other hand, the Company Group will develop proprietary solutions and services, take advantage of the advanced and wide-ranging technologies and knowledge acquired while participating in the SoftBank Group, and actively acquire new customers in addition to the SoftBank Group entities. Moreover, the Group Company will introduce new technologies by enhancing alliances with forward-looking manufacturers and vendors in order to secure competitive advantages in the industry. To this end, the Company will actively consider M&As as well.

In addition, we will press forward with the existing strategy of transition to service-based businesses with the slogan "F*rom System Integrator to Service Integrator*." By shifting from the one-time businesses of system integration and network integration to service-based businesses, i.e. stock business, we will enhance profitability and the quality of services to customers. In order to implement these mid-term business strategies, the Company Group will develop talent in the technology and sales areas. Specifically, we will expand the training system. At the same time, we will strive to enhance corporate governance by strengthening systems and structures.

(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 changes in order to keep growing. Consequently, the Company lists the following problems and will resolve them with a well-developed plan.

(i) Trend toward service economy

The change to broadband information networks and matured information technology has made it possible to package broad system content. As a result, demand grew for cloud services where customers can use software packages via broadband connections as necessary, contrary to the method of developing and operating systems individually. In view of the increased demand, the Company Group will push the existing strategy of a transition to service-based businesses. By shifting from the one-time businesses of system integration and network integration to service-based businesses, i.e. stock business, we will enhance profitability and the quality of services we provide to customers. Furthermore, we will offer platform design, construction, and operation support services for customers planning to provide such services by themselves.

(ii) Promotion of mobile business

The SoftBank Group strives to merge broadband services for fixed-line and mobile communications and expand diversified broadband content as a comprehensive digital information company. Consequently, the Company aims to maximize the synergy with companies of the SoftBank Group, such as SoftBank Mobile Corp. In concrete terms, the Company will develop, construct, and operate mobile application systems with SoftBank Mobile Corp. or other system integrators. In addition, we will provide mobile application connection base services (charging, network, verification, supports for solution providers, maintenance, etc.) for corporations.

(iii) Ensuring Business Continuity – Implementation of Business Continuity Plan

A series of emergencies occurred that threatened our services to customers, such as the Great East Japan Earthquake, rolling blackouts by the Tokyo Electronic Power Company, and the spread of new strains of influenza. The failure to respond to these events could result in serious operational difficulties. As preparation for such emergencies, the Company Group implements the Business Continuity Plan that predetermines preparation for business as usual, as well as methods and means of ensuring business continuity in order to minimize damage to business assets and to enable the continued operation of core businesses or a quick recovery. The Company Group's Business Continuity Plan incorporates measures to ensure business continuation while maintaining the quality of services to customers by securing alternative methods, backup redundancy, and preparing an employee safety confirmation system and equipment for telecommuting. This plan assumes major blackouts, failed communications lines, and other damage to the infrastructure that will have a serious impact on information technology services, which is the core business of the Company Group, as well as blocking of roads or other events that disrupt business operations.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2010	As of March 31, 2011
ASSETS		
Current assets:		
Cash and deposits	3,581,176	4,065,127
Notes and accounts receivable-trade	3,756,673	4,163,928
Securities	200,000	496,835
Merchandise	105,370	56,893
Work-in-process	283,843	125,565
Deferred tax assets	192,337	163,986
Other current assets	460,921	518,811
Less: Allowance for doubtful accounts	(1,795)	(18,455)
Total current assets	8,578,528	9,572,693
Fixed assets:		
Property and equipment:		
Buildings and structures	171,530	211,114
Accumulated depreciation	(102,432)	(112,371)
Buildings and structures (net)	69,097	98,743
Tools, furniture and fixtures	1,042,813	1,146,313
Accumulated depreciation	(687,205)	(805,681)
Tools, furniture and fixtures (net)	355,608	340,632
Construction-in-progress	43,985	3,049
Total property and equipment	468,691	442,424
Intangible assets		
Software	441,521	457,059
Software in progress	70,402	34,687
Other intangibles	12,171	12,182
Total intangible assets	524,095	503,929
Investments and other assets:		
Investment securities	2,138,309	1,821,001
Long-term loans receivable	11,350	9,550
Deferred tax assets	497,193	411,679
Other assets	542,272	585,999
Less: Allowance for doubtful accounts	(31,387)	(9,550)
Total investments and other assets	3,157,737	2,818,681
Total fixed assets	4,150,524	3,765,035
Total assets	12,729,052	13,337,728

(Thousands of yen)

	As of March 31, 2010	As of March 31, 2011
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable-trade	3,484,574	4,027,584
Lease obligations	29,522	31,448
Accounts payable-other	438,377	297,918
Income taxes payable	335,498	84,934
Reserve for bonuses for employees	254,789	314,982
Reserve for loss on orders received	92,925	-
Reserve for repairs of defects	-	6,225
Other current assets	554,525	650,689
Total current assets	5,190,211	5,413,783
Fixed liabilities:		
Lease obligations	120,402	93,067
Deferred tax liabilities	1,887	-
Long-term advance from customers	235,458	367,756
Negative goodwill	15,235	11,650
Asset retirement obligations	-	52,735
Total fixed liabilities	372,983	525,210
Total liabilities	5,563,194	5,938,993
Equity:		
Owners' equity		
Common stock	634,555	634,555
Additional paid-in capital	712,204	712,204
Retained earnings	6,519,075	6,840,066
Less: Treasury stock	(747,553)	(747,553)
Total owners' equity	7,118,282	7,439,273
Other accumulated comprehensive income		
Unrealized gain on available-for-sale securities	58,625	11,704
Foreign currency translation adjustments	(11,049)	(52,242)
Total other accumulated comprehensive income	47,575	(40,537)
Net assets	7,165,858	7,398,735
Total liabilities and equity	12,729,052	13,337,728

(2) Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)
Net Sales	28,174,456	29,614,699
Cost of sales	25,637,678	26,720,128
Gross profit	2,536,777	2,894,570
Selling, general and administrative expenses	1,694,850	1,605,661
Operating income	841,926	1,288,908
Non-operating income		
Interest income	25,096	39,458
Dividends income	6,293	3,480
Equity in earnings of affiliates	66,944	-
Miscellaneous income	17,922	16,145
Total non-operating income	116,256	59,085
Non-operating expenses		
Interest expense	1,905	5,331
Loss on equity investments in affiliates	-	188,898
Loss on investment in investment partnerships	11,491	18,781
Provision of allowance for doubtful accounts	14,954	1,911
Miscellaneous losses	136	48
Total non-operating expenses	28,488	214,971
Ordinary income	929,695	1,133,023
Special income		
Gain on sale of fixed assets	5	-
Gain on sale of investment securities	161,228	167,899
Gain on sale of shares of subsidiaries	6,130	-
Gain on transfer of business	19,695	-
Reversal of allowance for doubtful accounts	2,539	2,011
Other special income	-	1,334
Total special income	189,600	171,245
Special loss		
Loss on sale of fixed assets	142	749
Loss on disposal of fixed assets	2,432	62,094
Impairment loss	-	20,614
Loss on sale of investment securities	10,046	18,322
Valuation loss on investment securities	427,361	228,995
Extraordinary depreciation cost for fixed assets	61,248	-
Loss on adjustment for changes in the accounting standard for asset retirement obligations	-	47,274
Other special loss	36,608	21,318
Total special loss	537,839	399,369
Income before income taxes and minority interests	581,456	904,899
Income taxes: Current	385,201	290,428
: Deferred	(193,282)	138,625
Total income taxes	191,919	429,053
Income before minority interests	-	475,845
Minority interests in income	13,085	-
Net income	376,451	475,845
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(46,921)
Foreign currency translation adjustment	-	(41,192)
Other comprehensive income	-	(88,113)
Comprehensive income	-	387,732

(3) Consolidated Statements of Changes in Equity

(Thousands of yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)
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	6,297,525	6,519,075
Changes during the year		
Cash dividends	(154,901)	(154,854)
Net income	376,451	475,845
Total changes during the year	221,549	320,991
Balance at the end of the year	6,519,075	6,840,066
Treasury stock		
Balance at the end of the previous year	(745,910)	(747,553)
Changes during the year		
Purchase of treasury stock	(1,642)	-
Total changes during the year	(1,642)	-
Balance at the end of the year	(747,553)	(747,553)
Total owners' equity		
Balance at the end of the previous year	6,898,375	7,118,282
Changes during the year		
Cash dividends	(154,901)	(154,854)
Net income	376,451	475,845
Purchase of treasury stock	(1,642)	-
Total changes during the year	219,907	320,991
Balance at the end of the year	7,118,282	7,439,273

(Thousands of yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)
Other accumulated comprehensive income		
Unrealized gain on available-for-sale securities		
Balance at the end of the previous year	712	58,625
Changes during the year		
Net changes in accounts other than owners' equity during the year	57,912	(46,921)
Total changes during the year	57,912	(46,921)
Balance at the end of the year	58,625	11,704
Foreign currency translation adjustments		
Balance at the end of the previous year	9,211	(11,049)
Changes during the year		
Net changes in accounts other than owners' equity during the year	(20,261)	(41,192)
Total changes during the year	(20,261)	(41,192)
Balance at the end of the year	(11,049)	(52,242)
Total other accumulated comprehensive income		
Balance at the end of the year	9,924	47,575
Changes during the year		
Net changes in accounts other than owners' equity during the year	37,651	(88,113)
Total changes during the year	37,651	(88,113)
Balance at the end of the year	47,575	(40,537)
Minority interests		
Balance at the end of the previous year	62,088	-
Changes during the year		
Net changes in accounts other than owners' equity during the year	(62,088)	-
Total changes during the year	(62,088)	-
Balance at the end of the year	-	-
Total net assets		
Balance at the end of the previous year	6,970,387	7,165,858
Changes during the year		
Cash dividends	(154,901)	(154,854)
Net income	376,451	475,845
Purchase of treasury stock	(1,642)	-
Net changes in accounts other than owners' equity during the year	(24,436)	(88,113)
Total changes during the year	195,470	232,877
Balance at the end of the year	7,165,858	7,398,735

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)
Cash flows from operating activities		
Income before income taxes and minority interests	581,456	904,899
Depreciation and amortization	339,876	303,689
Impairment loss	-	20,614
Amortization of goodwill	6,786	-
Amortization of negative goodwill	-	(3,584)
Increase (decrease) in allowance for doubtful accounts	13,683	(3,377)
Increase (decrease) in reserve for bonuses for employees	21,156	60,192
Increase (decrease) in reserve for bonuses for officers	(15,000)	-
Increase (decrease) in reserve for loss on orders received	92,925	(92,925)
Increase (decrease) in reserve for repairs of defects	(22,141)	6,225
Loss on disposal of fixed assets	2,383	3,237
Loss on disposal of intangible fixed assets	48	58,856
Interest income and dividends income	(31,389)	(42,939)
Interest expenses	1,905	5,331
Equity in loss (earnings) of affiliates	(66,944)	188,898
Loss (gain) on investment in investment partnerships	11,491	18,781
Loss (gain) on sale of investment securities	(151,182)	(149,576)
Valuation loss (gain) of investment securities	427,361	228,995
Loss (gain) on transfer of business	(19,695)	-
Loss on adjustment for changes in the accounting standard for asset retirement obligations	-	47,274
Loss (gain) on sale of shares of subsidiaries	(6,130)	-
Decrease (increase) in receivables-trade	(32,853)	(407,254)
Decrease (increase) in inventories	(46,112)	206,013
Decrease (increase) in operating receivables	5,388	(192,886)
Increase (decrease) in payables-trade	(49,803)	543,010
Increase (decrease) in consumption taxes payable	48,178	12,848
Increase (decrease) in operating payables	6,209	123,113
Other	(4,334)	22,626
Subtotal	1,113,261	1,862,065
Interest and dividends received in cash	30,822	151,783
Interest expenses paid in cash	(1,905)	(5,331)
Income taxes paid in cash	(340,504)	(537,576)
Net cash used in operating activities	801,674	1,470,940

	Fiscal year ended March 31, 2010 (April 1, 2009 to March 31, 2010)	Fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011)
Cash flows from investing activities		
Purchase of property and equipment	(249,435)	(216,045)
Proceeds from sale of property and equipment	567	-
Purchase of intangible fixed assets	(231,365)	(169,879)
Purchase of securities	(200,000)	(493,897)
Proceeds from redemption of securities	-	400,000
Purchase of investment securities	(116,650)	(590,258)
Proceeds from sale of investment securities	404,522	415,259
Proceeds from transfer of business	20,500	-
Acquisition of shares of subsidiaries	(74,760)	-
Proceeds from sale of shares of subsidiaries due to change in scope of consolidation	31,244	-
Proceeds from collection of loans receivable	1,799	1,800
Deposit of guarantee money	(249)	(8,684)
Proceeds from collection of guarantee money	5,986	71,226
Payments for asset retirement obligations	-	(16,978)
Net cash (used in) provided by investing activities	(407,840)	(607,457)
Cash flows from financing activities		
Increase in short-term loans payable	-	600,000
Decrease in short-term loans payable	-	(600,000)
Purchase of treasury stock	(1,658)	-
Cash dividends paid	(155,568)	(155,026)
Proceeds from the shift to leasing of newly acquired facilities	157,144	4,519
Repayment of lease obligations	(7,219)	(29,928)
Net cash (used in) provided by financing activities	(7,302)	(180,434)
Increase (decrease) in cash and cash equivalents	386,531	683,047
Cash and cash equivalents, beginning of the year	3,194,645	3,581,176
Cash and cash equivalents, end of the year	3,581,176	4,264,224

(5) Note on Going Concern Assumption
Not applicable

(6) Basis of Presentation of Consolidated Financial Statements

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
1. Scope of consolidation	(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: 0	(1) Consolidated subsidiaries: 2 M-SOLUTIONS, Inc. Mobile Interface Corporation During the consolidated fiscal year under review; e-Commerce Technology Corporation was merged by the Company; EC Architects Corporation was liquidated; and SecureEther Marketing Inc. is currently being liquidated. Therefore, these three companies were excluded from the consolidation. (2) Non-consolidated subsidiaries: Same as on the left
2. Application of equity method	(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: Not applicable	(1) Equity method affiliated companies: 1 USTC eBusiness Technology Co., Ltd. i2ts, Inc., was excluded from equity method affiliates because all shares in i2ts, Inc., were sold during the consolidated fiscal year under review. (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) Held-to-maturity debt securities Amortized cost method (straight-line method)	[1] Securities (a) Investments in non-consolidated subsidiaries and affiliated companies: Same as on the left (b) Held-to-maturity debt securities Same as on the left

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
4. Accounting procedures (1) Evaluation standards and methods for major assets	(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, 2010	Fiscal year ended March 31, 2011
(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.	[1] Allowance for doubtful accounts: Same as on the left
	[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.	[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”.	[3] —
	[4] 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.	[4] —
	[5] —	[5] 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.
(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.	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.

	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
(4) Accounting standard for recording material revenues and costs	(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) Amortization of Goodwill	―	Goodwill is amortized by straight line method over an effective period estimated reasonably. However, goodwill in a de minimis amount is written off when accrued.
(6) Scope of cash in the Consolidated Statements of Cash Flows	―	Cash equivalents recognized as cash in the Consolidated Statements of Cash Flows are short term investments that are liquid, maturing within three months from the date of acquisition, easily convertible, and carry little risk of price fluctuations.
(7) 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.	―
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.	―
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.	―

(7) Changes in Basis of Presentation of Consolidated Financial Statements

Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
―	Application of Accounting Standard for Asset Retirement Obligations: Accounting Standard for Asset Retirement Obligations(Accounting Standards Board of Japan (ASBJ) Statement No. 18, March 31, 2008) and Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, March 31, 2008) were applied from the consolidated fiscal year under review. Due to this change, operating income and ordinary income each decreased by ¥5,075 thousand, and income before income taxes and minority interests decreased by ¥52,350 thousand.
―	Adoption of Accounting Standard for Equity Method of Accounting for Investments and the Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method: Effective from the consolidated fiscal year under review, Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16, March 10, 2008) and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (ASBJ Practical Issues Task Force (PITF) No. 24, March 10, 2008) were applied. This did not cause any impact on income. .
―	Adoption of Accounting Standard for Business Combinations, etc.: 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), Partial amendment to Accounting Standard for Research and Development Costs (ASBJ Statement No. 23, December 26, 2008), Accounting Standard for Business Divestitures (ASBJ Statement No. 7, December 26, 2008), Accounting Standard for Equity Method of Accounting for Investments (ASBJ Statement No. 16, announced on December 26, 2008) and Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, December 26, 2008) were applied from the consolidated fiscal years under review.

(8) Changes in Method of Presentation

Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
(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.	Consolidated Statements of Income: 1. From this consolidated fiscal year under review, the item “income before minority interests” was presented with the application of Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms, and Preparation of Financial Statements (Cabinet Office Ordinance No. 5, March 24, 2009) under “Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, December 26, 2008).

(9) Additional information

Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
—	Effective from the consolidated fiscal year under review, Accounting Standard for Presentation of Comprehensive Income (ASBJ Statement No. 25, June 30, 2010) was applied. However, the amounts of "valuation and translation adjustments" and "total valuation and translation adjustments" for the previous consolidated fiscal year were shown as those of "accumulated other comprehensive income" and "Total accumulated other comprehensive income."

(10) Notes to Consolidated Financial Statements

(Notes to Consolidated Statements of Income and Consolidated Statements of Comprehensive Income)

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

*1 Comprehensive income in the previous consolidated fiscal year

Comprehensive income attributable to shareholders of the parent	¥414,102 thousand
Comprehensive income attributable to minority interests	¥30,595 thousand
Total	¥444,698 thousand

*2 Other comprehensive income in the previous consolidated fiscal year

Valuation difference on available-for-sale securities	¥75,423 thousand
Foreign currency translation adjustment	¥(20,261 thousand)
Total	¥55,161 thousand

(Segment Information)
a. Segment information per business
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	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
Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)
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
Previous consolidated fiscal year (from April 1, 2009 to March 31, 2010)
As overseas sales accounted for less than 10% of consolidated sales, overseas sales are omitted.

d. Segment Information

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

1. Overview of Reported Segments

The reported segments of the Company, among its constituent units, are those for which separate financial statements can be obtained and which are regularly examined by the Board of Directors for determining the allocation of management resources and for assessing performance. The Company establishes business divisions by product and service and each of them develops comprehensive strategies for products and services it deals in and conducting business activities. Therefore, the Company consists of business-division-based segments by product and service and has two reported segments: eBusiness service and solution business.

The eBusiness service business offers e-commerce business administration services covering from front shop to back office. The solution business provides (i) infrastructure integration services, such as server storage, security systems, and networks; (ii) Online Business Solution & Service and other cloud services covering mobile devises; and (iii) access services that enable secure use of cloud services. The contact center service, which was included in the eBusiness service business in segment information by business type of the previous year, belongs to the solution business from this consolidated fiscal year under review.

2. Methods of Calculating Sales, Income or Loss, and Other Items by Reportable Segment

The accounting treatment methods used for reported business segments are the same as those described in the "Basic Important Matters for the Preparation of Consolidated Financial Statements."

3. Information on Amounts of Sales, Income or Loss, and Other Items by Reportable Segment

(Thousands of yen)

	eBusiness Service	Solution	Total	Adjustments (Note 1)	Amounts recorded in Consolidated Financial Statements (Note 2)
Net sales:					
Customers	16,826,462	12,788,237	29,614,699	-	29,614,699
Inter-segment	-	-	-	-	-
Total	16,826,462	12,788,237	29,614,699	-	29,614,699
Segment income	866,142	422,765	1,288,908	-	1,288,908
Other items					
Depreciation and amortization	85,297	169,951	255,249	48,440	303,689
Increase in fixed assets and intangible assets	147,967	130,518	278,486	61,114	339,600

(Note) 1. The ¥61,114 thousand adjustment for increase in fixed assets and intangible assets is capital spending for head office building and the like.

2. Segment income matches the operating income in the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.

3. The Company does not allocate assets to business segments.

e. Related Information

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

1. Information by product and service

Since sales to external customers in a single product/service area exceed 90% of net sales on the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income, this information is omitted.

2. Information by Area

(1) Net Sales

Since sales to external customers in Japan exceed 90% of net sales on the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income, this information is omitted.

(2) Property and equipment

Since the amount of property and equipment in Japan exceed 90% of that on the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income, this information is omitted.

3. Information by Major Customer

Since there is no external customer that accounts for 10% or higher of net sales on the Consolidated Statements of Income and Consolidated Statements of Comprehensive Income, this information is omitted.

f. Information on impairment loss in fixed assets by reported segment

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

(Thousands of yen)

	eBusiness Service	Solution	Total
Impairment loss	-	20,614	20,614

g. Information on amortization of goodwill and unamortized balance by reported segment

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

The amount of amortization of negative goodwill that accrued as the result of business combination implemented before April 1, 2010, and the unamortized balance are as follows:

(Thousands of yen)

	eBusiness Service	Solution	Total
Amortization in fiscal year under review	-	3,584	3,584
Balance at the end of fiscal year under review	-	11,650	11,650

h. Information on gain on negative goodwill by reported segment

Consolidated fiscal year under review (from April 1, 2010 to March 31, 2011)

Not applicable.

(Additional Information)

Effective from the first quarter consolidated fiscal period, 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) are applied.

(Per Share Data)

Fiscal year ended March 31, 2010		Fiscal year ended March 31, 2011	
Net assets per share (yen)	740.40	Net assets per share (yen)	764.46
Net income per share – primary (yen)	38.89	Net income per share – primary (yen)	49.17
Net income per share – diluted (yen)	-	Net income per share – diluted (yen)	-

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

Item	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Total amount of net assets in the consolidated balance sheet (thousands of yen)	7,165,858	7,398,735
Net assets amount of common stocks (thousands of yen)	7,165,858	7,398,735
Major cause for the difference (thousands of yen): Minority interests	-	-
Number of common stock outstanding	10,640,200	10,640,200
Number of treasury stock of common stock	961,775	961,775
Number of common stock used for computation of per share net assets amount	9,678,425	9,678,425

2. The basis for calculating net income per share is as follows:

Item	Fiscal year ended March 31, 2010	Fiscal year ended March 31, 2011
Net income per share		
Net income (thousands of yen)	376,451	475,845
Amounts not allocated to shareholders (thousands of yen)	-	-
Net income allocated to common stock outstanding (thousands of yen)	376,451	475,845
Weighted average number of common stock outstanding during each year (unit: shares)	9,678,855	9,678,425
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: 2 kinds 144,200 Shares	Stock acquisition rights: 1 kind 69,900 Shares

(Significant Subsequent Events)

Not applicable