

ITOCHU Techno-Solutions Corporation

For the year ended March 31, 2007

Financial Data Book

This Financial Data Book was created based on the Japanese securities report.
Figures have been rounded for convenience.

Consolidated Balance Sheets

ITOCHU Techno-Solutions Corporation and Subsidiaries

March 31	Millions of Yen				
	2003	2004	2005	2006	2007
ASSETS					
CURRENT ASSETS	¥155,490	¥150,578	¥137,644	¥150,898	¥176,271
Cash and time deposits	38,285	36,463	30,639	26,499	42,278
Notes and accounts receivable—trade	81,893	69,398	53,606	57,779	59,188
Securities	—	6,998	11,997	18,990	24,980
Inventories	24,024	20,607	20,479	23,682	20,134
Deferred tax assets	3,175	4,548	5,763	5,780	7,078
Deposits from customers	—	10,000	10,000	10,000	10,525
Other current assets	8,327	2,837	5,341	8,361	12,306
Allowance for doubtful accounts	(215)	(274)	(184)	(194)	(221)
FIXED ASSETS	22,533	18,248	23,201	27,180	38,625
Tangible fixed assets	3,320	2,057	3,908	3,921	13,550
Buildings and structures	—	—	—	—	8,611
Building fixtures	1,156	696	2,146	2,124	—
Furniture and fittings	1,357	1,047	1,762	1,796	3,241
Land	—	—	—	—	1,697
Computers for rent	805	313	—	—	—
Intangible fixed assets	3,187	2,860	2,549	2,185	3,522
Software	3,018	2,691	2,386	2,076	3,212
Others	169	169	163	109	310
Investments and other assets	16,025	13,329	16,743	21,073	21,552
Investments in securities	7,833	5,958	9,668	14,193	7,919
Prepaid pension expenses	—	—	—	409	2,773
Deferred tax assets	2,618	2,038	764	119	436
Others	5,994	6,687	6,646	6,400	10,467
Allowance for doubtful accounts	(420)	(1,355)	(335)	(49)	(43)
TOTAL ASSETS	¥178,024	¥168,826	¥160,845	¥178,079	¥214,896

Note: Owing to the October 1, 2006, merger with the former CRC Solutions Corp., figures for the fiscal year ended March 31, 2007, include those of the entire group following the merger.

March 31	Millions of Yen				
	2003	2004	2005	2006	2007
LIABILITIES					
CURRENT LIABILITIES	¥ 73,480	¥ 63,159	¥ 54,869	¥ 60,424	¥ 72,922
Notes and accounts payable—trade	49,011	38,704	29,401	31,401	31,735
Accrued income taxes	5,326	5,168	5,716	4,908	6,431
Unearned income	—	—	8,388	9,581	13,580
Allowance for bonuses	2,908	3,246	3,000	4,457	7,113
Allowance for bonuses to directors and corporate auditors	—	—	—	—	230
Allowance for loss on orders	—	—	—	410	251
Allowance for after cost	—	—	—	—	466
Other current liabilities	16,234	16,040	8,362	9,665	13,113
LONG-TERM LIABILITIES	1,558	1,517	512	1,863	1,482
Long-term accounts payable	—	—	—	—	611
Deferred tax liabilities	—	13	—	1,644	451
Allowance for employees' retirement benefits	1,057	1,442	405	12	295
Allowance for directors' retirement benefits	242	61	107	206	124
Liabilities in accordance with the application of the equity method	258	—	—	—	—
TOTAL LIABILITIES	75,039	64,677	55,381	62,288	74,405
MINORITY INTERESTS	934	144	128	139	—
SHAREHOLDERS' EQUITY					
Common stock	21,763	21,763	21,763	21,763	—
Capital surplus/additional paid-in capital	33,076	33,141	33,137	33,126	—
Retained earnings	47,032	54,201	63,331	72,458	—
Net unrealized gain on available for sale securities	153	(51)	641	2,850	—
Foreign currency translation adjustments	33	(14)	(23)	22	—
Treasury stock	(9)	(5,035)	(13,514)	(14,570)	—
Total shareholders' equity	102,049	104,004	105,335	115,651	—
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	¥178,024	¥168,826	¥160,845	¥178,079	—
EQUITY					
Shareholders' equity	—	—	—	—	139,109
Common stock	—	—	—	—	21,763
Capital surplus/additional paid-in capital	—	—	—	—	34,257
Retained earnings	—	—	—	—	87,216
Treasury stock	—	—	—	—	(4,129)
Valuation and Translation Adjustments	—	—	—	—	817
Net unrealized gain on available for sale securities	—	—	—	—	781
Deferred gain on derivatives under hedge accounting	—	—	—	—	6
Foreign currency translation adjustments	—	—	—	—	30
Minority interests	—	—	—	—	564
TOTAL EQUITY	—	—	—	—	140,491
TOTAL LIABILITIES AND TOTAL EQUITY	—	—	—	—	¥214,896

Consolidated Statements of Income

ITOCHU Techno-Solutions Corporation and Subsidiaries

Years Ended March 31	Millions of Yen				
	2003	2004	2005	2006	2007
NET SALES	¥273,200	¥266,170	¥226,795	¥239,021	¥294,374
COST OF SALES	216,247	209,213	173,072	180,519	222,991
Gross profit	56,952	56,957	53,723	58,502	71,382
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	40,385	39,614	36,619	39,000	45,916
Provision for allowance for doubtful accounts	1	98	—	—	13
Salaries and bonuses for employees	15,918	15,206	14,066	14,625	16,638
Provision for accrued bonuses	2,045	2,258	1,965	3,019	3,853
Provision for allowance for bonuses to directors and corporate auditors	—	—	—	—	190
Retirement benefits	629	1,520	333	365	(371)
Provision for directors' retirement benefits	74	57	55	68	40
Temporary staff costs	4,134	3,346	—	—	—
Contract employee expenses	—	—	3,364	3,899	4,279
Depreciation and amortization	1,589	1,639	1,384	1,600	1,820
Other	15,991	15,486	15,449	15,420	19,452
OPERATING INCOME	16,567	17,343	17,103	19,501	25,465
NON-OPERATING INCOME	1,406	490	1,173	1,097	1,133
Interest income	9	8	53	37	151
Dividend income	119	275	511	140	129
Insurance dividend income	37	20	—	—	—
Foreign exchange gain	—	54	—	—	—
Equity in gains of associated companies	—	—	395	—	—
Subsidy income	79	43	—	—	—
Miscellaneous income	1,070	—	—	—	—
Gain from investment in partnership	—	—	—	714	672
Other	90	87	213	204	179
NON-OPERATING EXPENSES	1,572	446	146	64	696
Interest expenses	1	—	—	—	—
Foreign exchange losses	35	—	—	—	—
Loss from investment in partnership	—	—	75	—	—
Equity in losses of associated companies	1,010	174	—	22	538
Loss from funds invested	454	135	—	—	—
Loss on cancellation of subcontracting	—	—	—	—	83
Other	70	137	70	41	74
ORDINARY INCOME	16,401	17,386	18,129	20,534	25,902
EXTRAORDINARY GAINS	381	2,221	1,500	183	971
Gain on sales of investments in securities	381	2,089	726	77	949
Gain on liquidization of investment securities	—	125	22	—	—
Gain on transfer of sales rights	—	—	—	105	—
Gain on sales of investments in consolidated subsidiary	—	—	224	—	—
Reversal of allowance for doubtful accounts	—	—	525	—	22
Gain on sales of membership rights	—	6	—	—	—
EXTRAORDINARY LOSSES	1,404	2,083	408	714	2,902
Loss on disposal of fixed assets	284	248	231	249	286
Impairment losses	—	—	—	52	22
Office consolidation costs	—	630	—	—	—
Loss on sales of investments in securities	3	35	—	87	22
Loss on write-down of investments in securities	1,074	198	164	324	909
Office relocation expenses	—	—	—	—	624
Operation system renewal expenses	—	—	—	—	382
Merger related expenses	—	—	—	—	338
Provision for allowance for after cost	—	—	—	—	316
Loss on sales of membership rights	—	9	—	—	—
Loss on write-down of membership rights	29	25	11	—	—
Transfer to reserve for doubtful accounts	12	936	—	—	—
INCOME BEFORE INCOME TAXES	15,378	17,524	19,221	20,003	23,971
INCOME TAXES	8,303	8,467	8,658	7,748	9,767
DEFERRED TAX ADJUSTMENT	(797)	(692)	(372)	755	55
MINORITY INTERESTS IN NET INCOME (LOSS)	89	(73)	63	(17)	103
NET INCOME	¥7,783	¥9,822	¥10,872	¥11,517	¥14,045

Note: Owing to the October 1, 2006, merger with the former CRC Solutions Corp., figures for the fiscal year ended March 31, 2007, include those of the entire group following the merger.

Consolidated Statements of Cash Flows

ITOCHU Techno-Solutions Corporation and Subsidiaries

Millions of Yen

Years Ended March 31	2003	2004	2005	2006	2007
OPERATING ACTIVITIES:					
Income before income taxes	¥15,378	¥17,524	¥19,221	¥20,003	¥23,971
Depreciation and amortization	1,871	2,225	1,693	1,837	2,383
Impairment losses	—	—	—	52	22
Amortization of consolidation adjustment	—	35	—	—	—
Increase (decrease) in allowance for doubtful accounts	(65)	994	(1,065)	(275)	(8)
Increase (decrease) in allowance for bonuses	(356)	338	(215)	1,456	729
Increase (decrease) in allowance for bonuses to directors and corporate auditors	—	—	—	—	190
Increase (decrease) in allowance for loss of orders	—	—	—	410	(645)
Increase (decrease) in allowance for after cost	—	—	—	—	466
Increase (decrease) in allowance for retirement benefits	(320)	384	(1,033)	(392)	94
Increase (decrease) in allowance for directors' retirement benefits	51	(180)	54	99	(146)
Interest and dividend income	(129)	(284)	(564)	(177)	(281)
Interest expense	1	—	—	—	—
Equity in losses (gains) of associated companies	1,010	174	(395)	22	538
Loss from investments in partnership	—	—	75	(714)	(672)
Loss from funds invested	454	135	—	—	—
Gain on sales of investment securities	(381)	(2,089)	(726)	(77)	(949)
Gain on liquidation of investment securities	—	(125)	(22)	—	—
Gain on transfer of sales rights	—	—	—	(105)	—
Gain on sales of investments in associated companies	—	—	(224)	—	—
Loss on disposal of fixed assets	284	248	231	249	286
Expenses for office integration	—	630	—	—	—
Loss on sales of investment securities	3	35	—	87	22
Loss on write-down of investment securities	1,074	198	164	324	909
Office relocation expenses	—	—	—	—	624
Operation system renewal expenses	—	—	—	—	382
(Increase) decrease in accounts receivable	9,031	11,533	16,309	(3,896)	5,886
(Increase) decrease in inventories	739	3,416	127	(3,202)	7,501
Increase (decrease) in notes and accounts payable	2,011	(10,307)	(9,254)	2,000	(4,761)
Increase (decrease) in consumption tax payable	(1,088)	184	(203)	105	449
(Increase) decrease in other assets	(4,284)	5,599	(3,412)	(4,012)	(6,980)
Increase (decrease) in other liabilities	(264)	(676)	1,029	2,468	3,389
Payments of directors' bonuses	(107)	(97)	(78)	(86)	(132)
Payments of directors' bonuses borne by minority shareholders	(3)	(3)	—	—	—
Subtotal	24,911	29,895	21,709	16,178	33,271
Interest and dividends received	127	318	582	263	365
Interest paid	(2)	—	—	—	—
Income taxes paid	(8,641)	(8,624)	(8,098)	(8,523)	(9,355)
Net cash provided by operating activities	16,394	21,588	14,194	7,918	24,281
INVESTING ACTIVITIES:					
Long-term deposits	—	—	(2,000)	—	—
Purchases of fixed deposit	—	—	—	—	(83)
Proceeds from fixed deposit	—	—	—	—	65
Payments for acquisition of tangible fixed assets	(267)	(160)	(2,586)	(825)	(5,181)
Proceeds from sales of tangible fixed assets	6	4	0	5	—
Purchases of intangible assets	(766)	(1,014)	(567)	(549)	(1,800)
Proceeds from sales of shares of consolidated subsidiary	—	—	226	—	—
Payments for acquisition of investment securities	(477)	(1,716)	(1,237)	(2,143)	(705)
Proceeds from sales of investment securities	1,417	3,140	1,316	1,634	1,935
Proceeds from liquidation of investment securities	—	232	22	—	—
Proceeds from transfer of sales rights	—	—	—	105	—
Purchases of long term deposits (short term investment)	—	—	—	—	(10,289)
Proceeds from long term deposits (short term investment)	—	—	—	—	351
(Increase) decrease in short-term loans receivable, net	—	(400)	400	—	—
Payment of long-term loans receivable	(12)	(20)	(1)	(7)	—
Proceeds from recovery of long-term loans	83	78	63	11	—
Net (increase) decrease in other assets	(512)	32	(494)	—	(1)
Net cash provided by (used in) investing activities	(529)	176	(4,857)	(1,768)	(15,710)
FINANCING ACTIVITIES:					
Repayment of long term bank loans	(170)	—	—	—	(200)
Repurchases of treasury stock	(0)	(5,031)	(8,656)	(1,288)	(28)
Sales of treasury stock	—	—	173	222	267
Proceeds from minority shareholders' payment	—	—	—	40	—
Repayment of finance lease obligations	—	—	—	—	(26)
Dividends paid	(1,224)	(1,405)	(1,665)	(2,305)	(3,881)
Dividend payments to minority shareholders	(102)	(103)	(2)	(11)	(4)
Net cash used in financing activities	(1,496)	(6,540)	(10,151)	(3,343)	(3,873)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	(49)	(48)	(9)	46	7
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	14,319	15,176	(824)	2,852	4,704
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	23,965	38,285	53,461	52,637	55,489
CASH AND CASH EQUIVALENTS INCREASED BY MERGER	—	—	—	—	6,888
CASH AND CASH EQUIVALENTS, END OF YEAR	¥38,285	¥53,461	¥52,637	¥55,489	¥67,083

Note: Owing to the October 1, 2006, merger with the former CRC Solutions Corp., figures for the fiscal year ended March 31, 2007, include those of the entire group following the merger.

Information by Segment (Consolidated)

Years Ended March 31	Millions of Yen									
	2003	Percent of total	2004	Percent of total	2005	Percent of total	2006	Percent of total	2007	Percent of total
Orders	¥281,480		¥256,083		¥245,492		¥258,772		¥309,528	
Increase (decrease) from the preceding year	-15.7%		-9.0%		-4.1%		+5.4%		+19.6%	
System Business	241,434	85.8%	214,091	83.6%	198,545	80.9%	218,180	84.3%	245,872	79.4%
Increase (decrease) from the preceding year	-20.0%		-11.3%		-7.3%		+9.9%		+12.7%	
Support Business	40,046	14.2	41,991	16.4	46,946	19.1	40,592	15.7	63,656	20.6
Increase (decrease) from the preceding year	+25.6%		+4.9%		+11.8%		-13.5%		+56.8%	
Orders backlog, end of year	¥ 55,378		¥ 45,291		¥ 63,987		¥ 83,738		¥ 98,892	
System Business	41,228	74.4%	29,829	65.9%	42,283	66.1%	62,794	75.0%	71,489	72.3%
Support Business	14,150	25.6	15,461	34.1	21,704	33.9	20,943	25.0	27,403	27.7

Years Ended March 31	Millions of Yen									
	2003	Percent of total	2004	Percent of total	2005	Percent of total	2006	Percent of total	2007	Percent of total
Net Sales	¥273,200		¥266,170		¥226,795		¥239,021		¥294,374	
Increase (decrease) from the preceding year	-19.7%		-2.6%		-14.8%		+5.4%		+23.2%	
System Business	233,808	85.6%	225,490	84.7%	186,092	82.1%	197,668	82.7%	237,178	80.6%
Increase (decrease) from the preceding year	-23.6%		-3.6%		-17.5%		+6.2%		+20.0%	
Support Business	39,392	14.4	40,680	15.3	40,703	17.9	41,353	17.3	57,196	19.4
Increase (decrease) from the preceding year	+16.0%		+3.3%		+0.1%		+1.6%		+38.3%	

Years Ended March 31	Millions of Yen									
	2003	Percent of total	2004	Percent of total	2005	Percent of total	2006	Percent of total	2007	Percent of total
Telecommunications and broadcasting	¥ 74,847	27.4%	¥ 82,173	30.9%	¥ 77,643	34.2%	¥ 94,761	39.7%	¥101,481	34.5%
Electronics	31,821	11.6	28,168	10.6	20,428	9.0	18,731	7.8	22,970	7.8
Manufacturing (excluding electronics)	32,493	11.9	31,748	11.9	29,165	12.9	28,712	12.0	39,588	13.4
Information services	52,700	19.3	53,322	20.0	42,494	18.7	44,681	18.7	55,095	18.7
Public sector	17,793	6.5	13,097	4.9	9,438	4.2	7,439	3.1	10,800	3.7
Commerce and transportation	6,257	2.3	4,342	1.6	4,239	1.9	3,922	1.6	15,005	5.1
Finance and insurance	31,841	11.7	25,057	9.4	22,265	9.8	23,120	9.7	28,232	9.6
Others	25,445	9.3	28,258	10.7	21,121	9.3	17,651	7.4	21,199	7.2
TOTAL	¥273,200	100.0%	¥266,170	100.0%	¥226,795	100.0%	¥239,021	100.0%	¥294,374	100.0%

Financial Data

Number of Employees*

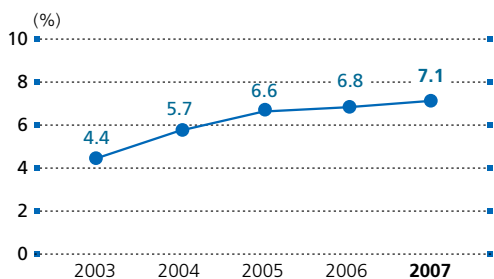
Years Ended March 31	Persons				
	2003	2004	2005	2006	2007
CTC Group employees	3,403	3,346	3,156	3,399	6,080
Of whom, system engineers	1,340	1,360	1,445	1,639	2,747
Outside employees	1,854	1,816	2,206	2,402	4,147
Of whom, system engineers	1,119	1,115	1,568	1,704	2,244
TOTAL	5,257	5,162	5,362	5,801	10,227
Of whom, system engineers	2,459	2,475	3,013	3,343	4,991

* Number of employees at the end of each fiscal year

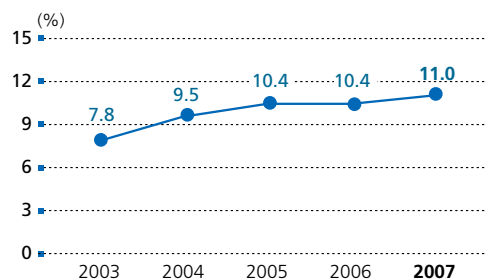
Capital Investment and Depreciation and Amortization

Years Ended March 31	Millions of Yen				
	2003	2004	2005	2006	2007
Capital investment	¥1,115	¥1,244	¥3,412	¥1,323	¥7,720
Depreciation and amortization	1,871	2,225	1,693	1,837	2,383

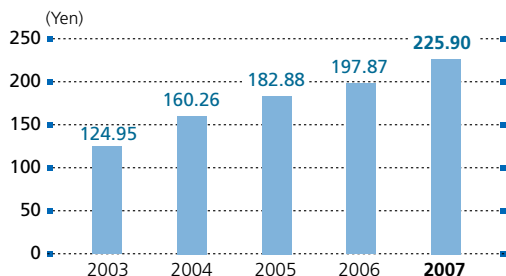
Return on Assets (ROA)



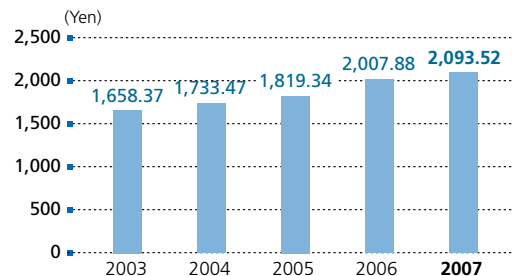
Return on Equity (ROE)



Basic Net Income per Share



Total Equity per Share



(Years Ended March 31)

ITOCHU Techno-Solutions Corporation

