

# Earnings Digest

July 31, 2009

Company name	IFIS JAPAN LTD.	Stock Exchange	TSE Mothers
Code number	7833	URL	<a href="http://www.ifis.co.jp">http://www.ifis.co.jp</a>
Representative	President	Kazuharu Osawa	
Contact	Managing Director	Shogo Noguchi	TEL 81-(3)6825-1250
Scheduled submission date of semi-annual securities report	August 7, 2009	Scheduled start date of dividend	-

(Fractions less than ¥1 million have been omitted.)

## 1. Consolidated Financial Results for the 2Q of the FY Ending December 31, 2009 (January 1, 2009 to June 30, 2009)

### (1) Consolidated Operating Results

(Percentages figure represent changes from same period of previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
2Q ended June 2009	1,489	—	45	—	47	—	14	—
2Q ended June 2008	1,773	13.6	144	11.7	145	13.1	52	44.9

	Net income per share	Diluted net income per share
	Yen	Yen
2Q ended June 2009	284.40	284.04
2Q ended June 2008	1,053.36	1,037.64

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	¥
2Q ended June 2009	1,998	1,503	72.4	28,328.55
Fiscal year ended December 2008	1,936	1,514	75.2	29,717.74

(Reference) Equity 2Q ended June 2009 ¥1,446 million Fiscal year ended Dec, 2008 ¥1,456 million

## 2. Dividends

	Dividend per share				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual
	¥	¥	¥	¥	¥
Fiscal year ended December 2008	- -	0 00	- -	500 00	500 00
Fiscal year ending December 2009	- -	0 00	- -	- -	
Fiscal year ending December 2009 (Estimated)	- -	- -	- -	700 00	700 00

(Note) Modification in the dividend projection in this quarter: none

### 3. Forecasts for Fiscal Year 2009 (January 1 to December 31, 2009)

(Percentages figure represent changes from same period of previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	¥ million	%	¥ million	%
Fiscal year ending Dec. 2009	3,200	-7.9	120	-56.3	120	-57.2	70	-17.8	1,371.34

(Note) Modifications in forecasts of consolidated operating results in the quarter: None

\* Note to ensure appropriate use of forecasts

- From the current fiscal year, the Company has applied the "Accounting Standard for Quarterly Financial Reporting"(Accounting Standards Board of Japan (ASBJ) Statement No.12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting (ASBJ Guidance No.14). The Company prepares its quarterly consolidated financial statements in accordance with the Regulations for Quarterly Consolidated Financial Statements.
- These forecasts are based on information available to the company as of the date of release of this document and are subject to a number of risks, uncertainties and assumptions. As such, actual results may differ materially from those projected.

#### 4.Consolidated Financial Statements

##### (1) 【Consolidated balance sheet】

	(Thousands of yen)	
	As of June 30, 2009	Fiscal year ended December 31, 2008
<b>Assets</b>		
Current assets		
Cash and deposits	1,074,483	879,517
Accounts receivable-trade	284,588	314,487
Other	26,040	75,909
Allowance for doubtful accounts	-730	-
Total current assets	<u>1,384,382</u>	<u>1,269,914</u>
Noncurrent assets		
Property, plant and equipment	76,026	89,012
Intangible assets		
Goodwill	21,591	27,385
Software	394,381	444,181
Other	13,619	13,634
Total intangible assets	<u>429,592</u>	<u>485,201</u>
Investments and other assets	108,898	92,058
Total noncurrent assets	<u>614,518</u>	<u>666,273</u>
Total assets	<u>1,998,900</u>	<u>1,936,187</u>
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	212,345	245,573
Current portion of long-term loans payable	-	481
Income taxes payable	32,500	37,037
Provision for bonuses	10,052	7,203
Other	186,024	130,178
Total current liabilities	<u>440,922</u>	<u>420,473</u>
Noncurrent liabilities		
Negative goodwill	28,034	-
Other	26,419	1,000
Total Noncurrent liabilities	<u>54,453</u>	<u>1,000</u>
Total liabilities	<u>495,375</u>	<u>421,474</u>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	381,290	380,690
Capital surplus	437,090	436,490
Retained earnings	628,358	639,333
Total shareholders' equity	<u>1,446,738</u>	<u>1,456,513</u>
Minority interests	56,786	58,199
Total net assets	<u>1,503,525</u>	<u>1,514,713</u>
Total net liabilities	<u>1,998,900</u>	<u>1,936,187</u>

**(2) 【Consolidated statement of income】**

(Thousands of yen)

	Six months ended June 30, 2009 (January 1, 2009 to June 30, 2009)
Net sales	1,489,405
Cost of sales	979,894
Gross profit	509,511
Selling, general and administrative expenses	463,903
Operating income	45,608
Non-operating income	
Interest income	1,145
Dividends income	2
Other	928
Total non-operating income	2,075
Non-operating expenses	
Interest expenses	0
Total non-operating expenses	0
Ordinary income	47,683
Extraordinary loss	
Loss on retirement of noncurrent assets	783
Total extraordinary loss	783
Income before income taxes	46,900
Income taxes-current	30,962
Income taxes-deferred	1,641
Total income taxes	32,603
Minority loss ( decrease )	-213
Net income	14,510

**(3) 【Consolidated statement of cash flows】**

(Thousands of yen)

	Six months ended June 30, 2009 (January 1, 2009 to June 30, 2009)
Net cash provided by (used in) operating activities	
Income before income taxes	46,900
Depreciation and amortization	74,467
Amortization of goodwill	5,793
Increase (decrease) in allowance for doubtful accounts	230
Increase (decrease) in provision for bonuses	-768
Interest and dividends income	-1,147
Interest expenses	0
Loss on retirement of noncurrent assets	783
Decrease (increase) in notes and accounts receivable-trade	50,314
Increase (decrease) in notes and accounts payable-trade	-33,228
Increase (decrease) in accounts payable-bonuses	8,835
Other	3,491
Subtotal	155,670
Proceeds from sales of short-term investment securities	1,147
Proceeds from long-term loans payable	-0
Income taxes refund	-32,603
Net cash provided by (used in) operating activities	124,214
Net cash provided by (used in) investment activities	
Purchase of property, plant and equipment	-4,096
Purchase of intangible assets	-7,833
Increase in cash and cash equivalents from newly consolidated subsidiary	60,512
Proceeds from collection of lease and guarantee deposits	-1,863
Collection of loans receivable	50,000
Payments into time deposits	-20,000
Proceeds from withdrawal of time deposits	3,600
Net cash provided by (used in) investment activities	80,320
Net cash provided by (used in) financing activities	
Repayment of long-term loans payable	-481
Proceeds from issuance of common stock	1,197
Cash dividends paid	-25,485
Cash dividends paid to minority shareholders	-1,200
Net cash provided by (used in) financing activities	-25,968
Net increase (decrease) in cash and cash equivalents	178,565
Opening balance of cash and cash equivalents	845,917
Closing balance of cash and cash equivalents	1,024,483