

CYBERNET SYSTEMS CO., LTD.

Consolidated Financial Results
for the First Quarter of the Year Ending March 31, 2012



- Overview of Consolidated Financial Results for the First Quarter of the Year Ending March 31, 2012
- Projections of Results for FY2011
- Reference
(Non-Consolidated Financial Results for the first Quarter of the Year Ending March 31, 2012)

Consolidated subsidiaries

- CYBERNET SYSTEMS CO., LTD (From April 1, 2011 to March 31,2012)
- Sigmetrix, L.L.C. (From January 1,2011 to December 31, 2011)
- WATERLOO MAPLE INC. (From January 1,2011 to December 31, 2011)
- CYBERNET CAE SYSTEMS (Shanghai) CO.,LTD. (From January 1,2011 to December 31, 2011)
- Noesis Solutions NV .(From January 1,2011 to December 31, 2011)

[Consolidated] Performance Summary

CYBERNET SYSTEMS CO., LTD.

Millions of Yen

| | FY2010 1Q | | FY2011 1Q | | | | |
|------------------|-----------|-------|-----------|-------|--------|-----------|--------------------|
| | Amount | Ratio | Amount | Ratio | Y-o-Y | Estimates | Variance from Plan |
| Net sales | 3,636 | — | 3,863 | — | 106.2% | 3,667 | 105.4% |
| Gross profit | 1,443 | 39.7% | 1,648 | 42.7% | 114.2% | 1,441 | 114.4% |
| Operating income | 207 | 5.7% | 419 | 10.9% | 202.4% | 179 | 234.3% |
| Ordinary income | 203 | 5.6% | 432 | 11.2% | 212.5% | 180 | 239.7% |
| Net income | ※348 | 9.6% | 251 | 6.5% | 72.2% | 69 | 361.0% |

※The amount of tax effects by amount of loss carryover on tax of the subsidiary merged in 1Q is included.

Business result summary

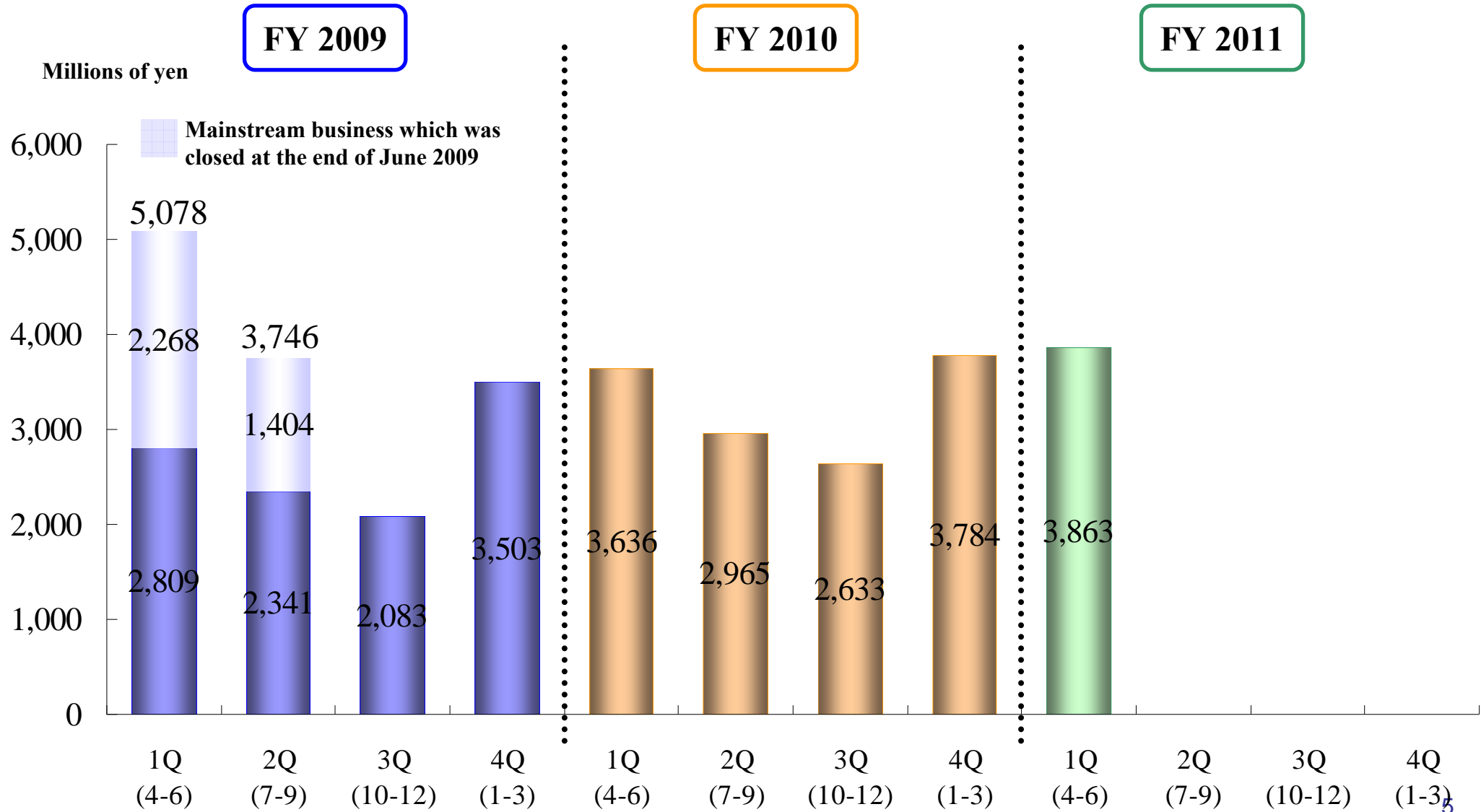
- Although there was influence of Higashi-Nihon Earthquake to some business, renewal sales of mainstream CAE software (Mechanical, Optical and Electronics) shows good result.

Comparison to budget vs. result throughout the first quarter: increasing profit and revenue

- Flagship software CAE (mechanical, optical and electronics) remained strong maintenance renewal.
- Growth of license sales for CAE new domain products.
- For IT solution business, growth are shown on OEM business such as backup or the monitor software.

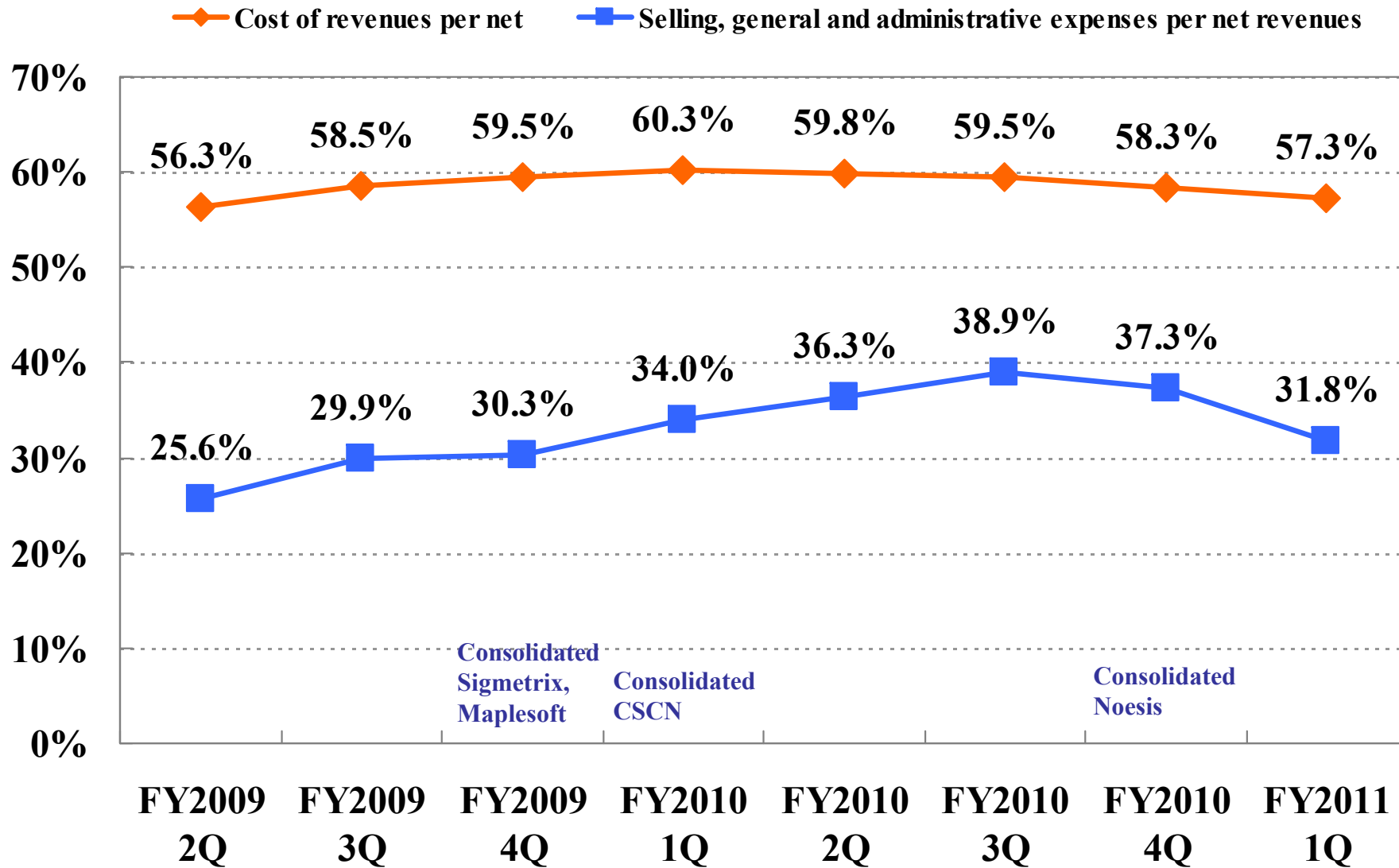
[Consolidated] Quarterly net sales

CYBERNET SYSTEMS CO., LTD.



[Consolidated] Cost of sales per net sales and
Selling, general and administrative expenses per net sales (cumulative)

CYBERNET SYSTEMS CO., LTD.



[Consolidated] Cost of service sales

CYBERNET SYSTEMS CO., LTD.

Millions of yen

| | FY2010 1Q | FY2011 1Q | Change | Y-o-Y | Ratio | Details |
|---------------------------------|------------|------------|----------|---------------|--------------|-------------------|
| Materials cost | | 2 | 2 | - | 0.1% | |
| Personal | 414 | 433 | 18 | 104.6% | 11.2% | Subsidiaries + 18 |
| Outsourcing fees | 37 | 16 | (20) | 44.7% | 0.4% | Cybernet(19) |
| Communication | 4 | 3 | (0) | 94.1% | 0.1% | |
| Transportation | 17 | 20 | 3 | 122.4% | 0.5% | |
| Fixing and Supplies | 3 | 3 | (0) | 90.3% | 0.1% | |
| Rents | 56 | 55 | (1) | 96.9% | 1.4% | |
| Maintenance | 5 | 7 | 2 | 145.2% | 0.2% | |
| Depreciation | 9 | 9 | (0) | 96.8% | 0.2% | |
| Operations Consignment Expenses | 10 | 11 | 0 | 104.6% | 0.3% | |
| Commission | 2 | 4 | 2 | 180.6% | 0.1% | |
| Others | 17 | 10 | (6) | 62.6% | 0.3% | |
| Total | 578 | 578 | 0 | 100.1% | 15.0% | |

| | FY2010 1Q | FY2011 1Q | Change |
|----------------------------------|------------|------------|-------------|
| Inventory at beginning of period | 0 | 4 | + 3 |
| Transition from others | 82 | 84 | + 2 |
| Inventory at end of period | 14 | 38 | + 24 |
| Cost of sales for service | 483 | 460 | (23) |

[Consolidated] Selling and general administrative expenses

CYBERNET SYSTEMS CO., LTD.

Millions of yen

| | FY2010 1Q | FY2011 1Q | Change | Y-o-Y | Ratio | Details |
|--------------------------|--------------|--------------|------------|--------------|--------------|--|
| Personal | 624 | 633 | 8 | 101.3% | 16.4% | Cybernet +9 |
| Communication | 41 | 38 | (2) | 93.4% | 1.0% | |
| Transportation | 48 | 47 | (1) | 96.8% | 1.2% | |
| Fixing and Supplies | 6 | 8 | 1 | 129.2% | 0.2% | |
| Recruiting | 0 | 0 | (0) | 74.9% | 0.0% | |
| Education and Training | 2 | 1 | (1) | 43.9% | 0.0% | |
| Rents | 90 | 83 | (6) | 92.7% | 2.2% | |
| Maintenance | 19 | 18 | (0) | 95.6% | 0.5% | |
| Depreciation | 52 | 32 | (20) | 61.4% | 0.8% | Distribution rights write-offs (9) From declining-balance method to straight-line method(6) |
| Amortization of goodwill | 77 | 78 | 1 | 101.9% | 2.0% | |
| Advertising | 66 | 67 | 0 | 101.0% | 1.7% | |
| Outsourcing | 41 | 34 | (6) | 83.7% | 0.9% | Technical support fee (12) |
| Commission | 44 | 55 | 10 | 122.9% | 1.4% | Cybernet +6, Subsidiaries +4 |
| Others | 107 | 129 | 21 | 120.3% | 3.3% | |
| Total | 1,236 | 1,228 | (7) | 99.4% | 31.8% | |

Foreign Exchange Fluctuations and Increases/Decreases in Operating Margin

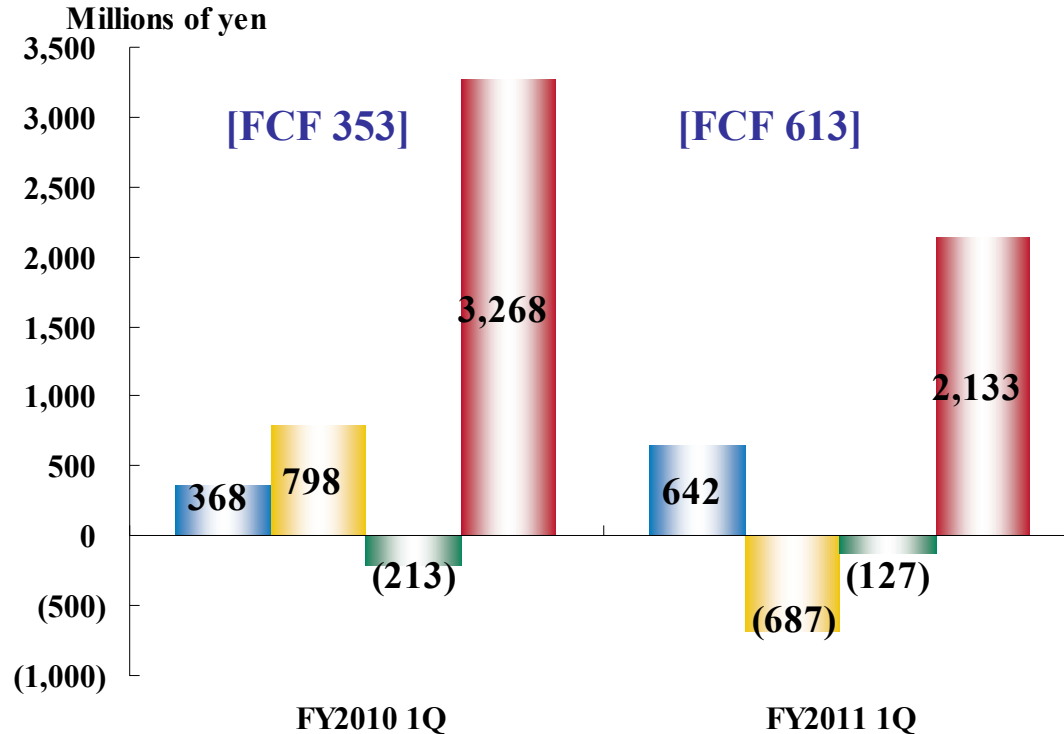
- Foreign Exchange Fluctuations
 - Average actual booking rate JPY82.03/USD
 - Actual funding rate JPY81.88/USD
 - Budgeted rate JPY87.00/USD
 - Difference of Y-Y actual booking rate
 - JPY 9.52/USD (FY2010 1Q: JPY91.55/USD)
 - Difference between booking rate and budgeted rate
 - JPY4.97/USD
 - ✕Effect for cost of sales (as comparison of budget) + JPY42M
 - Difference between actual funding rate and budgeted rate
 - JPY5.12/USD

- Foreign Currency Transaction Gain and Loss (End of term rate JPY80.68/USD)
 - Gain/loss from revaluation of foreign currency-denominated deposit – JPY8M
 - Gain/loss from revaluation of payables + JPY12M
 - Gain/loss at book-closing + JPY0M
 - Gain/loss from revaluation of foreign exchange forward contracts – JPY11M
 - TOTAL – JPY7M

[Consolidated] Statements of Cash Flows

CYBERNET SYSTEMS CO., LTD.

■ Operating activities ■ Investing activities ■ Financing activities ■ Cash and cash equivalent



Overview

Net cash provided by operating activities

Increase: Income before taxes
 Increase of account payable
 Increase of depreciation
 Increase of amortization of goodwill
 Decrease of notes and account receivable

Decrease: Decrease of reserve for bonuses
 Income taxes paid

Net cash provided by investing activities

Decrease: Proceeds from sales of short-term investment securities

Net cash provided by financing activities

Decrease: Payment for dividends

| Operating Activity | |
|------------------------------|--------|
| Income before taxes | ▲ +473 |
| Depreciation | ▲ +54 |
| Amortization of goodwill | ▲ +78 |
| Notes and account receivable | ▲ +124 |
| Inventory | (33) |
| Account payable | ▲ +106 |
| Accrued expenses | (18) |
| Reserve for bonuses | (145) |
| Retirement allowance | ▲ +18 |
| Income taxes paid | (219) |

| Investing Activity | |
|---|---------|
| Proceeds from sales of short-term investment securities | ▲ +999 |
| Proceeds from redemption of investment securities | ▲ +42 |
| Payments of short-term loans receivable | (1,700) |

| Financing Activity | |
|-----------------------|-------|
| Payment for dividends | (127) |

[Consolidated] Business Segment Information

CYBERNET SYSTEMS CO., LTD.

FY2010 1Q

Millions of yen

| | CAE Solution Services | | | IT Solution Services | | | Elimination | Consolidated | |
|--------------------|-----------------------|-------------------|-------|----------------------|-------------------|-------|-------------|--------------|-------|
| | Amount | Composition ratio | Ratio | Amount | Composition ratio | Ratio | Amount | Amount | Ratio |
| Net sales | 3,213 | 88.4% | — | 422 | 11.6% | — | 0 | 3,636 | — |
| Operating expenses | 2,608 | — | 81.2% | 409 | — | 96.9% | 411 | 3,428 | 94.3% |
| Operating income | 605 | — | 18.8% | 12 | — | 3.1% | △ 410 | 207 | 5.7% |

FY2011 1Q

Millions of yen

| | CAE Solution Services | | | IT Solution Services | | | Elimination | Consolidated | |
|--------------------|-----------------------|-------------------|-------|----------------------|-------------------|-------|-------------|--------------|-------|
| | Amount | Composition ratio | Ratio | Amount | Composition ratio | Ratio | Amount | Amount | Ratio |
| Net sales | 3,430 | 88.8% | — | 432 | 11.2% | — | 0 | 3,863 | — |
| Operating expenses | 2,721 | — | 79.3% | 384 | — | 88.9% | 337 | 3,443 | 89.1% |
| Operating income | 708 | — | 20.7% | 48 | — | 11.1% | △ 337 | 419 | 10.9% |

CAE solution (Y-o-Y Sales Increase 6.8%)

- (1) Newly focused software license sales greatly extended.
- (2) Maintenance renewal result was good on mostly mainstream software.
- (3) Increasing number of inquiry from automotive industries on engineering service.

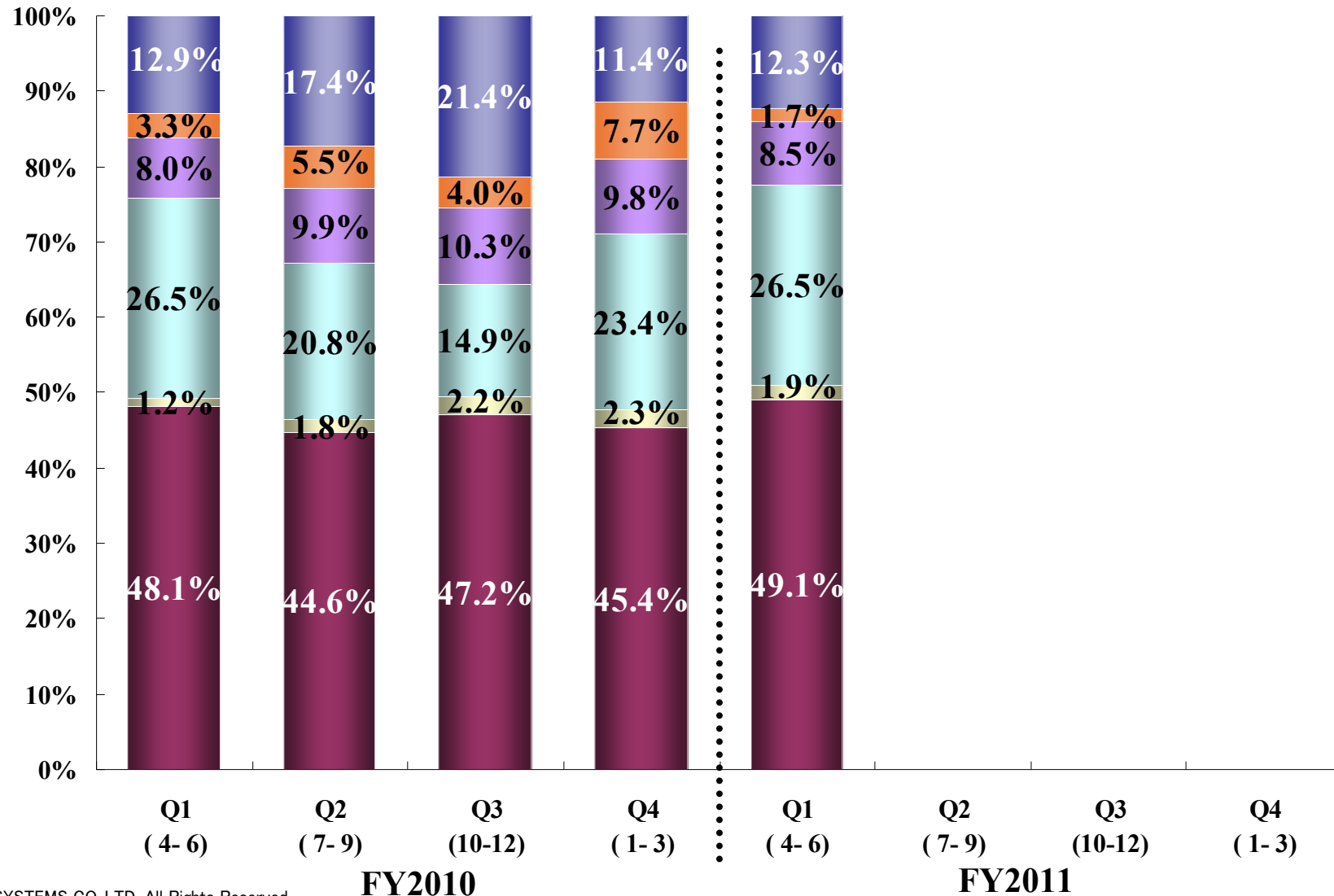
IT Solution (Y-o-Y Sales Increase 2.5%)

- (1) The OEM business such as backup software or monitoring software contributes the result.
- (2) Terminal emulation software is favorable.

[Non-consolidated] Net Sales by Business Line

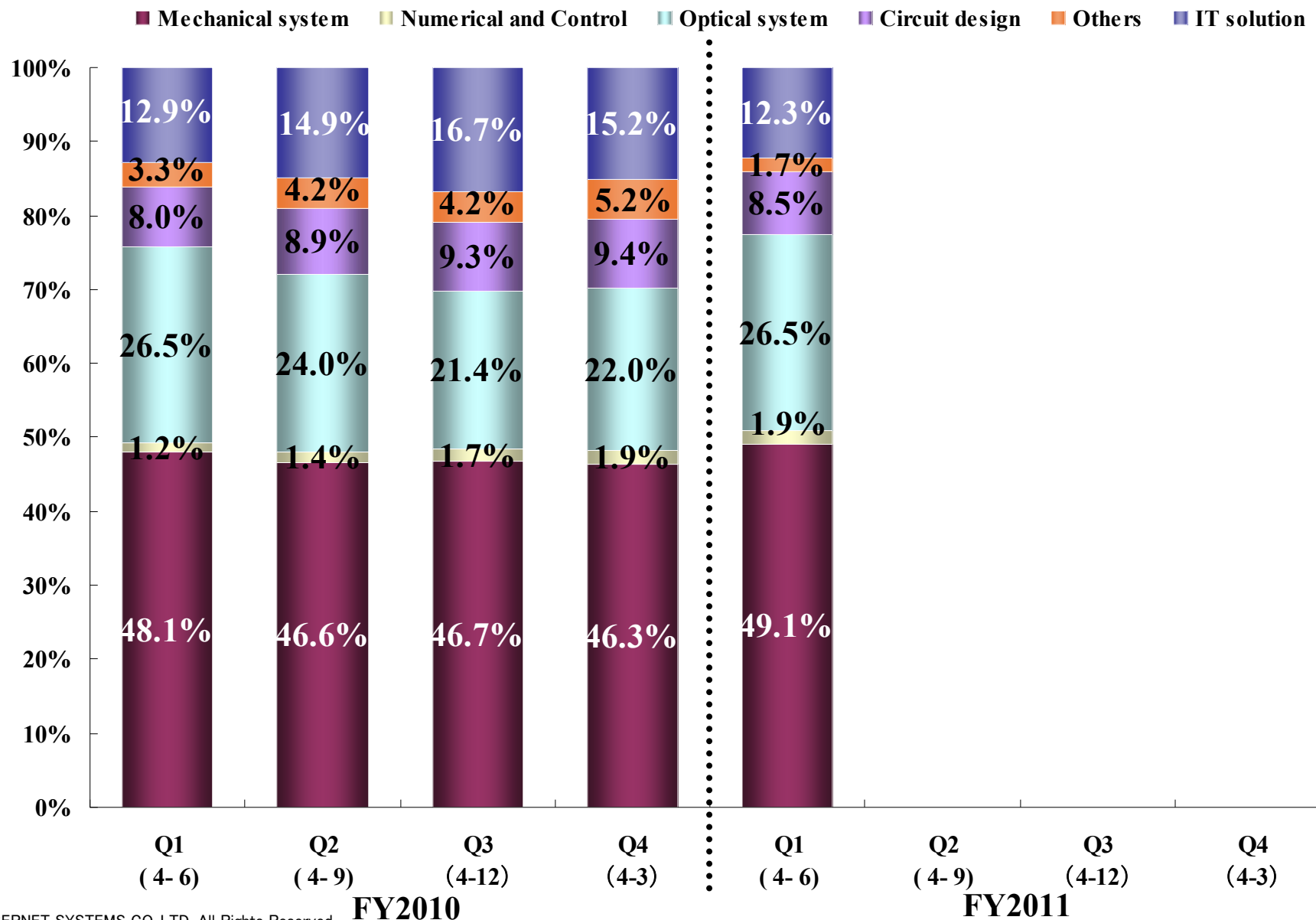
CYBERNET SYSTEMS CO., LTD.

■ Mechanical system
 ■ Numerical and Control
 ■ Optical system
 ■ Circuit design
 ■ Others
 ■ IT solution



[Non-consolidated] (Cumulative) Net Sales by Business Line

CYBERNET SYSTEMS CO., LTD.



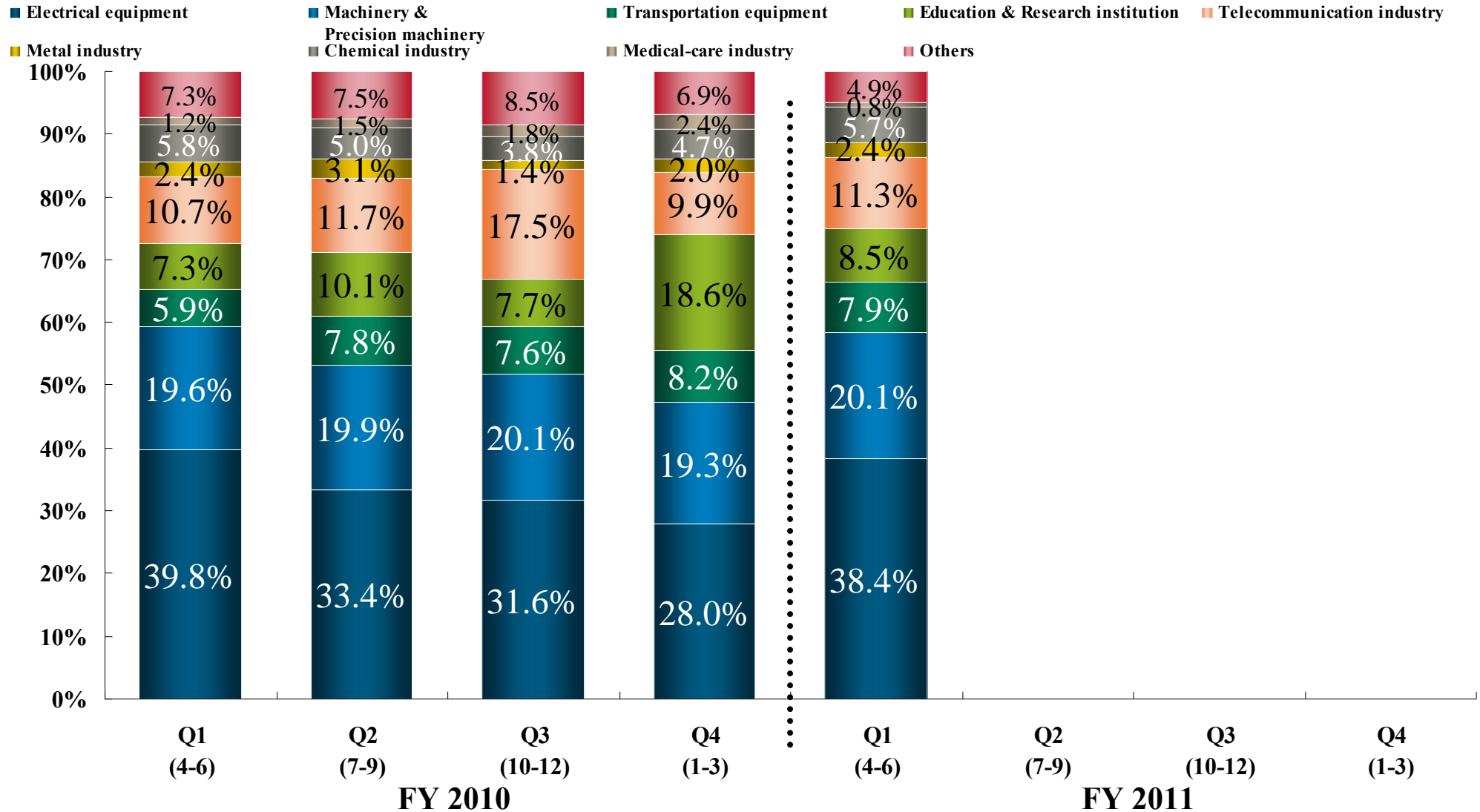
Summary by application area

CYBERNET SYSTEMS CO., LTD.

| CAE Solution Services | |
|--|---|
| M e c h a n i c a l | A large-scale business deal contributes to the new license sales. Maintenance renewal keeps high renewal rate regardless of industry |
| O p t i c a l / I l l u m i n a t i o n | New license and renewal sales of mainstream software solidly continue. New deal of the optical measurements machinery contributes. Increase inquiries of in-house-developed 3D display monitoring system. |
| E D A | Renewal sales solidly continues. EDA tool for System-LSI order shifted to next term. |
| N u m e r i c a l , c o n t r o l , a n d c o m m u n i c a t i o n s | Increase new order of Multi-physics modeling environment tool. The new version expanded scope of modeling was released in June. Focus on enhancement of group company product |
| N e w p r o d u c t s a n d o t h e r s | Significantly increasing of new license sales for potential products and others Upswing trend of inquiry from automotive industry for engineering and development |
| IT Solution Services | |
| Growth of OEM business, such as backup and monitoring software. Terminal emulation software is favorable. | |

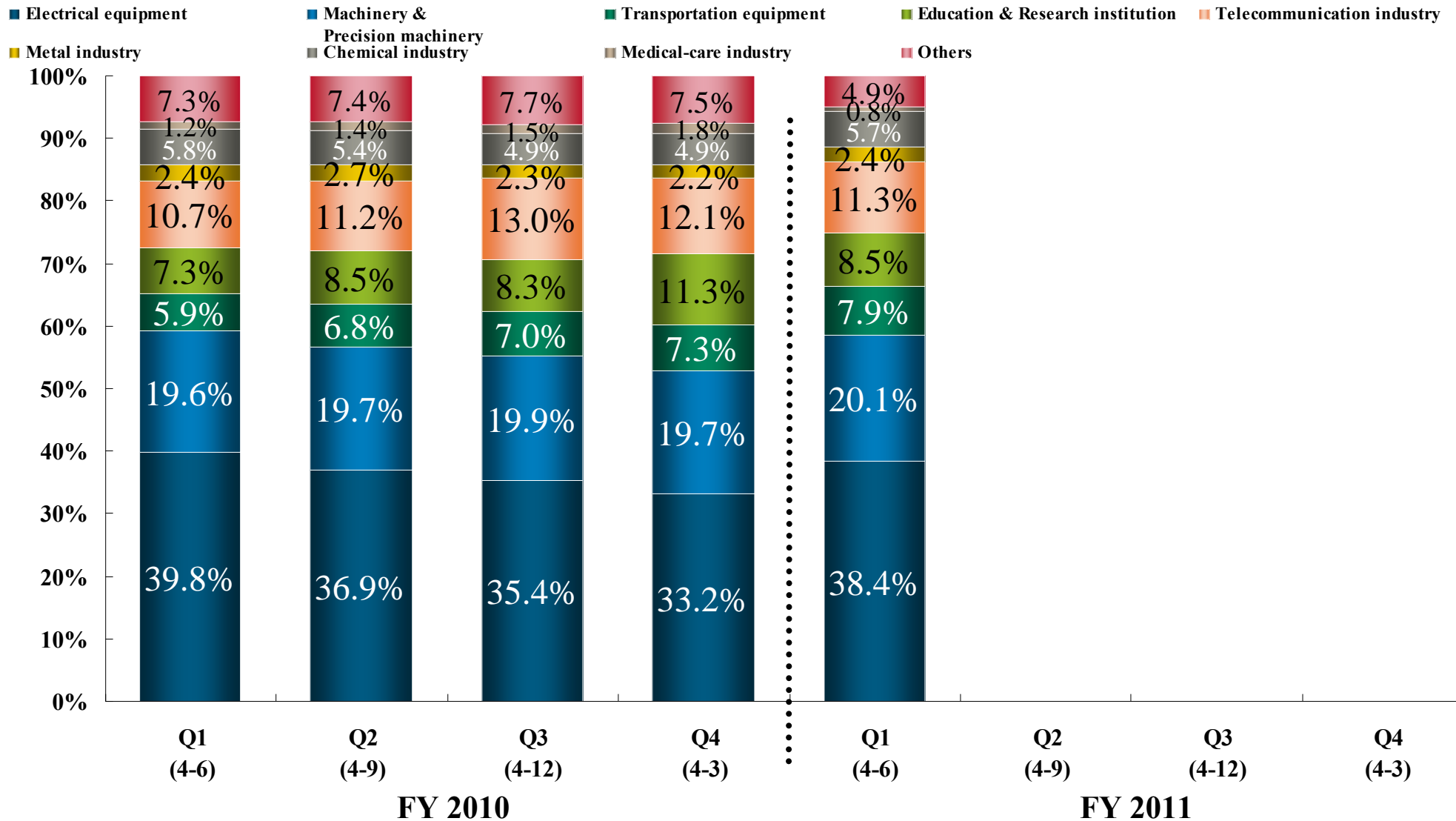
[Non-consolidated] Net Sales by Category of Industry

CYBERNET SYSTEMS CO., LTD.

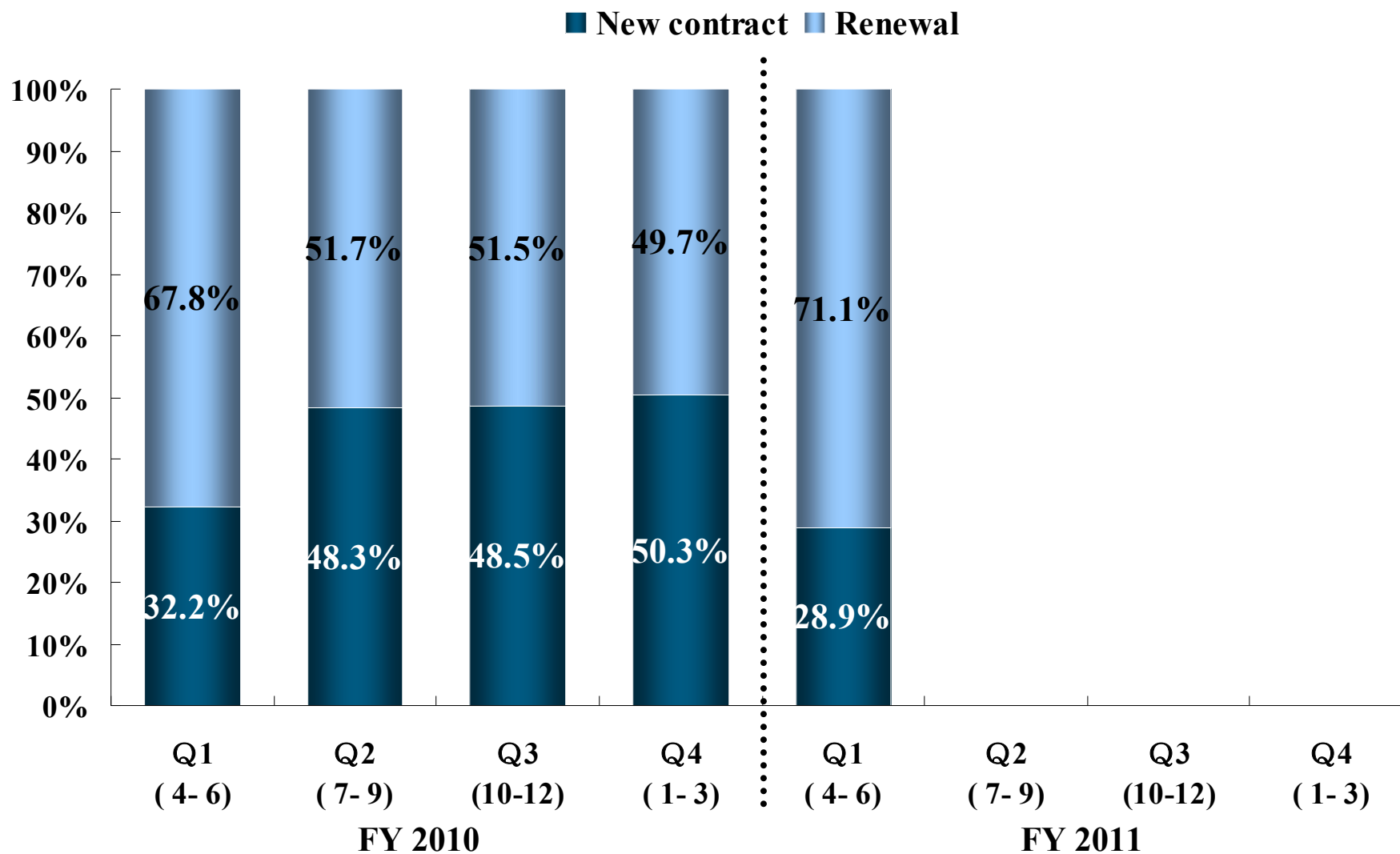


[Non-consolidated] (Cumulative) Net Sales by Category of Industry

CYBERNET SYSTEMS CO., LTD.

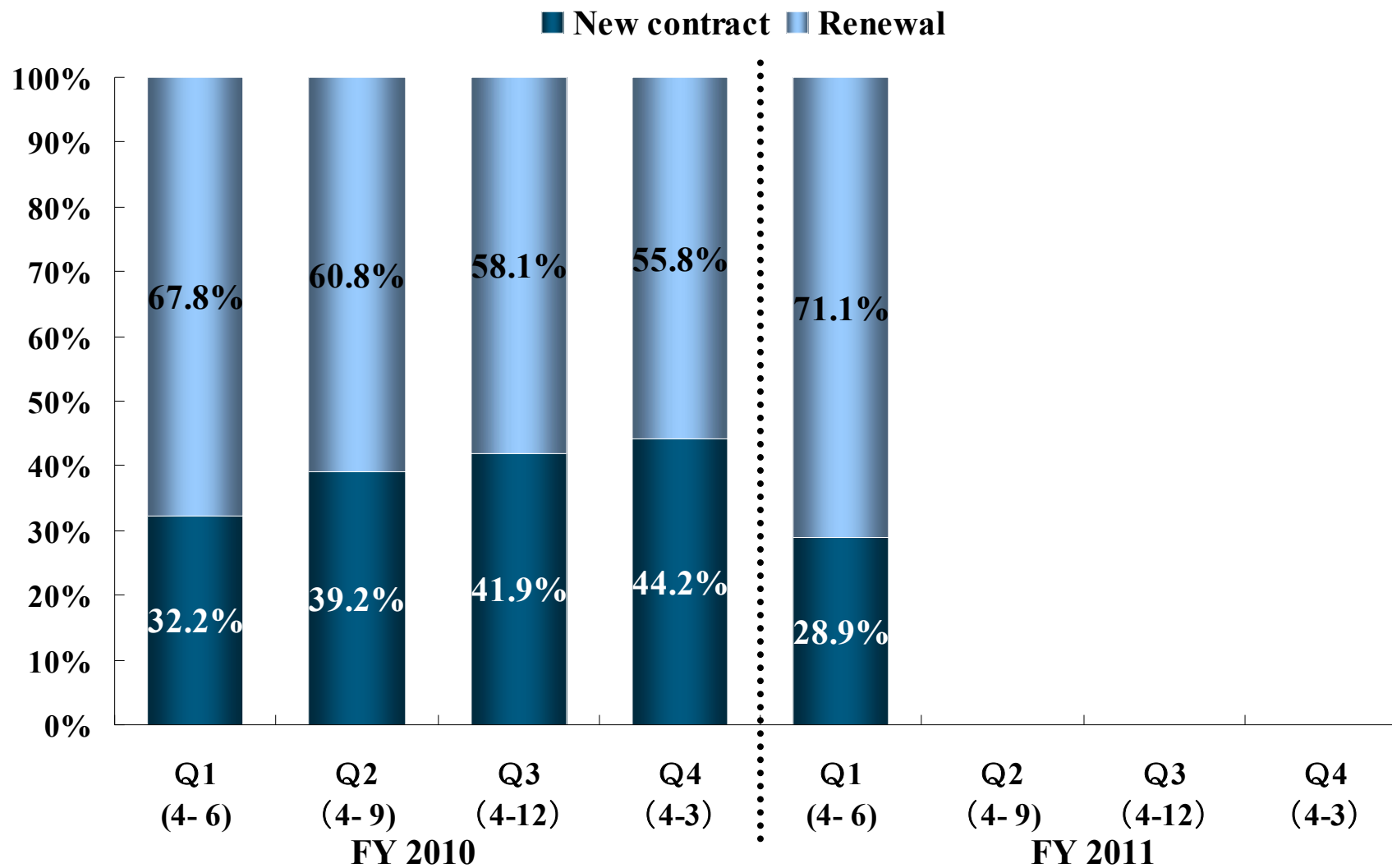


[Consolidated] Net Sales by Contract CYBERNET SYSTEMS CO., LTD.



[Consolidated]
(Cumulative) Net Sales by Contract

CYBERNET SYSTEMS CO., LTD.



CYBERNET SYSTEMS CO., LTD.

Projections of Results for FY2010



[Consolidated] FY2011 Forecast

CYBERNET SYSTEMS CO., LTD.

| | First Half-Year | | | | | Full Year | | | | |
|-------------------------|-----------------|----------------|------------------|----------------|------------------|-----------------|----------------|-------------------|----------------|------------------|
| | FY2009 | FY2010 | Y-o-Y | FY2011F | Y-o-Y | FY2009 | FY2010 | Y-o-Y | FY2011F | Y-o-Y |
| Net sales | 5,151 | 6,601 | 128.1% | 6,940 | 105.1% | 10,737 | 13,019 | 121.2% | 13,670 | 105.0% |
| Gross profit ratio | 1,823 35.4% | 2,656 40.2% | 145.7% + 4.8% | 2,769 39.9% | 104.3% (0.3%) | 3,801 35.4% | 5,433 41.7% | 142.9% + 6.3% | 5,564 40.7% | 102.4% (1.0%) |
| Operating income ratio | (340) (6.6%) | 259 3.9% | + 599 + 10.5% | 278 4.0% | 107.3% + 0.1% | (465) (4.3%) | 581 4.5% | + 1,047 + 8.8% | 602 4.4% | 103.6% (0.1%) |
| Ordinary income ratio | (238) (4.6%) | 280 4.3% | + 518 + 8.9% | 311 4.5% | 111.1% + 0.2% | (357) (3.3%) | 635 4.9% | + 993 + 8.2% | 650 4.8% | 102.4% (0.1%) |
| Income before tax ratio | (267) (5.2%) | 278 4.2% | + 545 + 9.4% | 308 4.4% | 110.8% + 0.2% | (464) (4.3%) | 626 4.8% | + 1,090 + 9.1% | 644 4.7% | 102.9% (0.1%) |
| Net income ratio | (147) (2.9%) | 372 5.6% | + 519 + 8.5% | 110 1.6% | 29.6% (4.1%) | (343) (3.2%) | 569 4.4% | + 912 + 7.6% | 274 2.0% | 48.2% (2.4%) |

※1. FY2009 Result excluded the business result of products that is terminated its distributor agreement within the term.

※2. FY2010 Special factor, tax effect 245 millions yen by amount of loss carryover on tax of the subsidiary merged first quarter is included in current net income.

Result forecast

(1) FY2011F Exchange rate for beginning of term result forecast is JPY87.0 per USD.

(2) FY2011F currency hedge status: 80% of product cost that is in foreign currency are reserved approximately JPY81/USD average.

(3) There are no changes in Q2 and FY2011 business forecast from the one announced on April 28, 2011 due to the uncertainty of domestic market outlook and foreign currency fluctuation which effects performance of overseas subsidiaries..

FY2011 Dividend forecast

CYBERNET SYSTEMS CO., LTD.

Yen

| | FY2010 | FY2011F | | |
|-----------------------|------------------|-------------------|--------------------|------------------|
| | Annual dividends | Interim dividends | Year-end dividends | Annual dividends |
| Dividend per share | 550 | 160 | 160 | 320 |
| Net income per share | 1,822.08 | — | — | 879.38 |
| Dividend payout ratio | 30.2% | — | — | 36.4% |

Number of stocks outstanding at fiscal year-end : 324,000

Number of stocks treasury stocks at fiscal year-end : 12,417

- ◆ **Current net income per stock on March 2012 is forecasted as above table.**
- ◆ **Dividend forecast for March 2012 is not reached to stable one, however Cybernet will provide dividend in connection with its result, based on annual dividend payout ratio as 30%.**
- ◆ **There are no changes in interim and annual dividends forecast from the one announced on April 28, 2011.**

CYBERNET SYSTEMS CO., LTD.

Reference



Corporate Overview

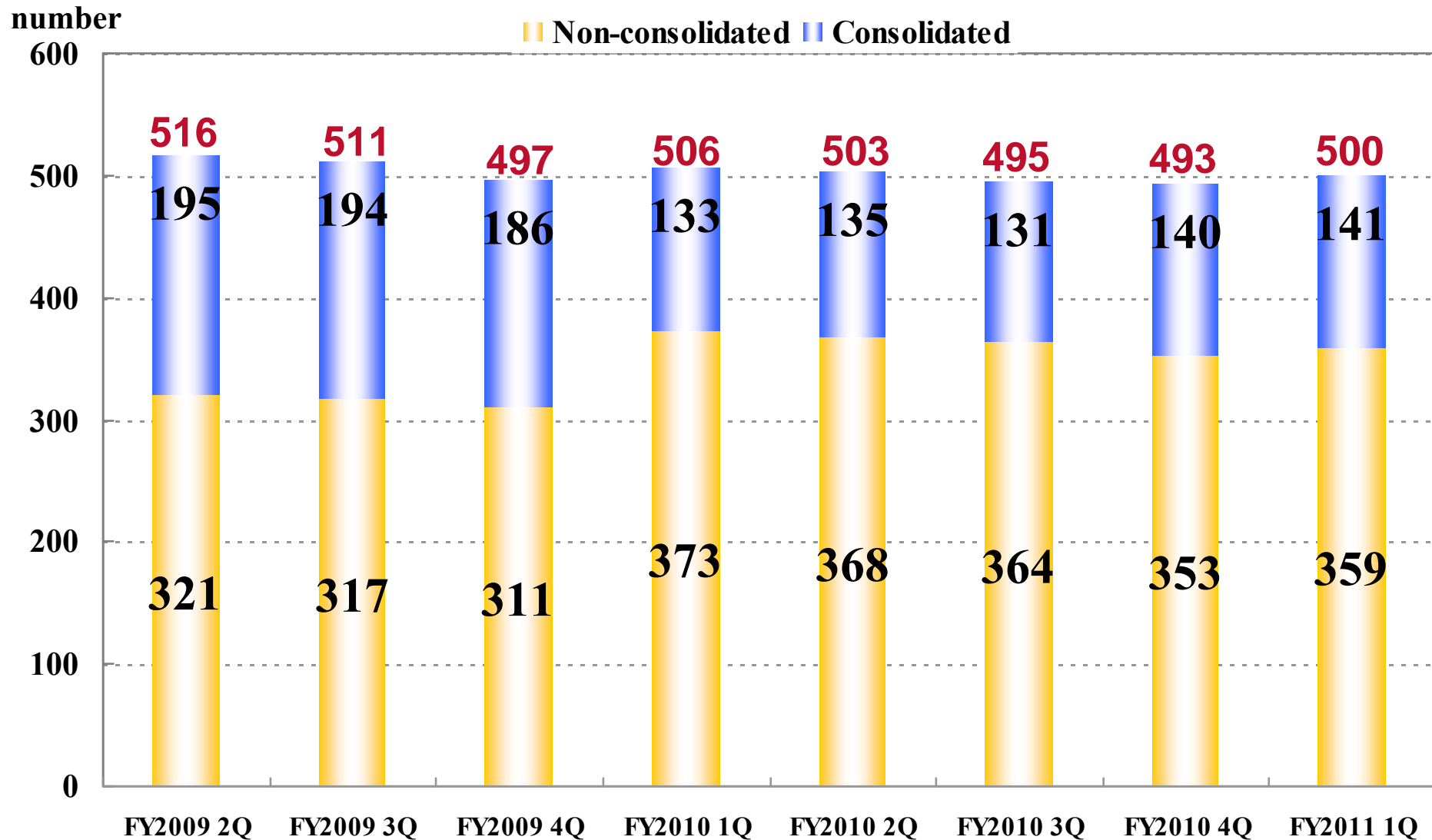
CYBERNET SYSTEMS CO., LTD.

- Company Name :** CYBERNET SYSTEMS CO., LTD.
(Stock code: 4312, the First Section of Tokyo Stock Exchange)
- Head Office :** Fuji Soft Bldg., 3, Kanda Neribeicho, Chiyoda-ku, Tokyo 101-0022
- Branch Offices :** Nishi-Nihon Branch Office in Osaka and Chubu Branch Office in Nagoya
- Founding date :** April 17, 1985
- Capital :** 995 million yen (as of June 30, 2011)
- Number of Employees :** Consolidated / 500, Non-Consolidated / 359 (as of June 30, 2011)
- Subsidiaries & affiliates :**
- Consolidated /
 - CYBERNET CAE SYSTEMS (Shanghai) CO., LTD.
 - Sigmatrrix, L.L.C.
 - Waterloo Maple Inc.
 - Noesis Solutions NV
 - Cybernet Systems Holdings U.S. Inc. (Special Purpose Company)
 - CYBERNET HOLDINGS CANADA, INC. (Special Purpose Company)
 - Non-Consolidated /
 - CYBERNET SYSTEMS TAIWAN CO., LTD.
- Software Vendors :** 20 software companies mostly in the US, including ANSYS, Inc., Corporation, Synopsys, Inc. and Cadence Design Systems, Inc., and so on.
- Business :** Providing CAE and IT solutions, as well as professional services including consulting

CAE stands for “Computer Aided Engineering”

Transition of the number of employees

CYBERNET SYSTEMS CO., LTD.



CYBERNET SYSTEMS CO., LTD.

Overview of Non-consolidated Financial Results for the First Quarter of the Year Ending March 31, 2012



[Non-consolidated]
Performance Summary

CYBERNET SYSTEMS CO., LTD.

Millions of yen

| | FY2010 1Q | | FY2011 1Q | | | | |
|------------------|-----------|-------|-----------|-------|--------|-----------|--------------------|
| | Amount | Ratio | Amount | Ratio | Y-o-Y | Estimates | Variance from Plan |
| Net sales | 3,149 | — | 3,507 | — | 111.4% | 3,331 | 105.3% |
| Gross profit | 1,246 | 39.6% | 1,492 | 42.6% | 119.8% | 1,292 | 115.5% |
| Operating income | 309 | 9.8% | 565 | 16.1% | 182.8% | 348 | 162.6% |
| Ordinary income | 305 | 9.7% | 564 | 16.1% | 184.7% | 349 | 161.6% |
| Net income | 512 | 16.3% | 367 | 10.5% | 71.7% | 204 | 179.6% |

[Non-consolidated] Cost of sales for service

CYBERNET SYSTEMS CO., LTD.

Millions of yen

| | FY2010 1Q | FY2011 1Q | Change | Y-o-Y | Ratio |
|-----------------------|------------|------------|-----------|---------------|--------------|
| Materials cost | — | 2 | 2 | — | 0.1% |
| Personal | 255 | 278 | 22 | 109.0% | 7.9% |
| Outsourcing fees | 35 | 15 | (19) | 44.0% | 0.4% |
| Communication | 1 | 1 | 0 | 105.5% | 0.1% |
| Transportation | 14 | 17 | 2 | 119.1% | 0.5% |
| Fixing and supplies | 2 | 1 | (0) | 88.0% | 0.1% |
| Rent | 44 | 43 | (0) | 97.8% | 1.3% |
| Maintenance | 2 | 4 | 2 | 199.9% | 0.1% |
| Depreciation | 4 | 2 | (2) | 51.4% | 0.1% |
| Operating consignment | 6 | 11 | 4 | 164.4% | 0.3% |
| Commission | 2 | 3 | 0 | 131.9% | 0.1% |
| Others | 8 | 7 | (1) | 84.3% | 0.2% |
| Total | 378 | 389 | 10 | 102.8% | 11.1% |

[Non-consolidated]
Selling and general administrative expenses

CYBERNET SYSTEMS CO., LTD.

Millions of yen

| | FY2010 1Q | FY2011 1Q | Change | Y-o-Y | Ratio |
|---------------------------|------------|------------|-------------|--------------|--------------|
| Personal | 486 | 495 | 9 | 101.9% | 14.1% |
| Communication | 30 | 28 | (1) | 94.3% | 0.8% |
| Transportation | 39 | 35 | (3) | 90.9% | 1.0% |
| Fixing and supplies | 4 | 5 | 0 | 115.9% | 0.2% |
| Recruiting | 0 | 0 | (0) | 24.4% | 0.0% |
| Education and training | 1 | 0 | (1) | 38.5% | 0.0% |
| Rent | 78 | 72 | (5) | 93.0% | 2.1% |
| Maintenance | 15 | 14 | (0) | 96.9% | 0.4% |
| Depreciation | 48 | 27 | (20) | 57.4% | 0.8% |
| Amortization of good-will | 11 | 3 | (7) | 33.3% | 0.1% |
| advertising | 47 | 48 | 0 | 100.5% | 1.4% |
| Outsourcing | 39 | 32 | (6) | 82.4% | 0.9% |
| Commission | 35 | 42 | 6 | 119.4% | 1.2% |
| Others | 97 | 118 | 21 | 122.3% | 3.4% |
| Total | 450 | 431 | (18) | 95.8% | 12.3% |

[Non-consolidated] FY2011 Forecast

CYBERNET SYSTEMS CO., LTD.

| | First Half-Year | | | | | Full Year | | | | |
|-------------------------|-----------------|----------------|------------------|----------------|------------------|-----------------|----------------|--------------------|----------------|-----------------|
| | FY2009 | FY2010 | Y-o-Y | FY2011F | Y-o-Y | FY2009 | FY2010 | Y-o-Y | FY2011F | Y-o-Y |
| Net sales | 4,261 | 5,727 | 134.4% | 6,051 | 105.7% | 8,450 | 11,267 | 133.3% | 11,750 | 104.3% |
| Gross profit ratio | 1,604 37.7% | 2,298 40.1% | 143.3% + 2.5% | 2,309 38.2% | 100.5% (2.0%) | 3,040 36.0% | 4,608 40.9% | 151.6% + 4.9% | 4,452 37.9% | 96.6% (3.0%) |
| Operating income ratio | (216) (5.1%) | 469 8.2% | + 685 + 13.3% | 460 7.6% | 98.1% (0.6%) | (288) (3.4%) | 899 8.0% | + 1,187 + 11.4% | 788 6.7% | 87.7% (1.3%) |
| Ordinary income ratio | (112) (2.7%) | 467 8.2% | + 579 + 10.8% | 466 7.7% | 99.8% (0.5%) | (186) (2.2%) | 907 8.1% | + 1,093 + 10.3% | 800 6.8% | 88.2% (1.2%) |
| Income before tax ratio | (186) (4.4%) | 548 9.6% | + 734 + 14.0% | 463 7.7% | 84.5% (1.9%) | (465) (5.5%) | 981 8.7% | + 1,446 + 14.2% | 794 6.8% | 80.9% (1.9%) |
| Net income ratio | (65) (1.5%) | 611 10.7% | + 676 + 12.2% | 271 4.5% | 44.4% (6.2%) | (371) (4.4%) | 852 7.6% | + 1,223 + 12.0% | 464 3.9% | 54.5% (3.6%) |

CYBERNET SYSTEMS CO., LTD.

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