

CYBERNET SYSTEMS CO., LTD.

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



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

Consolidated companies

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

[Consolidated] Performance Summary

CYBERNET SYSTEMS CO., LTD.

Millions of Yen

	FY2010 3Q		FY2011 3Q				
	Amount	Ratio	Amount	Ratio	Y-o-Y	Estimates	Difference from Plan
Net sales	9,234	—	9,773	—	105.8%	9,845	99.3%
Gross profit	3,742	40.5%	4,120	42.2%	110.1%	3,884	106.1%
Operating income	146	1.6%	413	4.2%	281.1%	132	313.1%
Ordinary income	175	1.9%	436	4.5%	249.1%	166	262.1%
Net income	※278	3.0%	177	1.8%	63.6%	(75)	+252

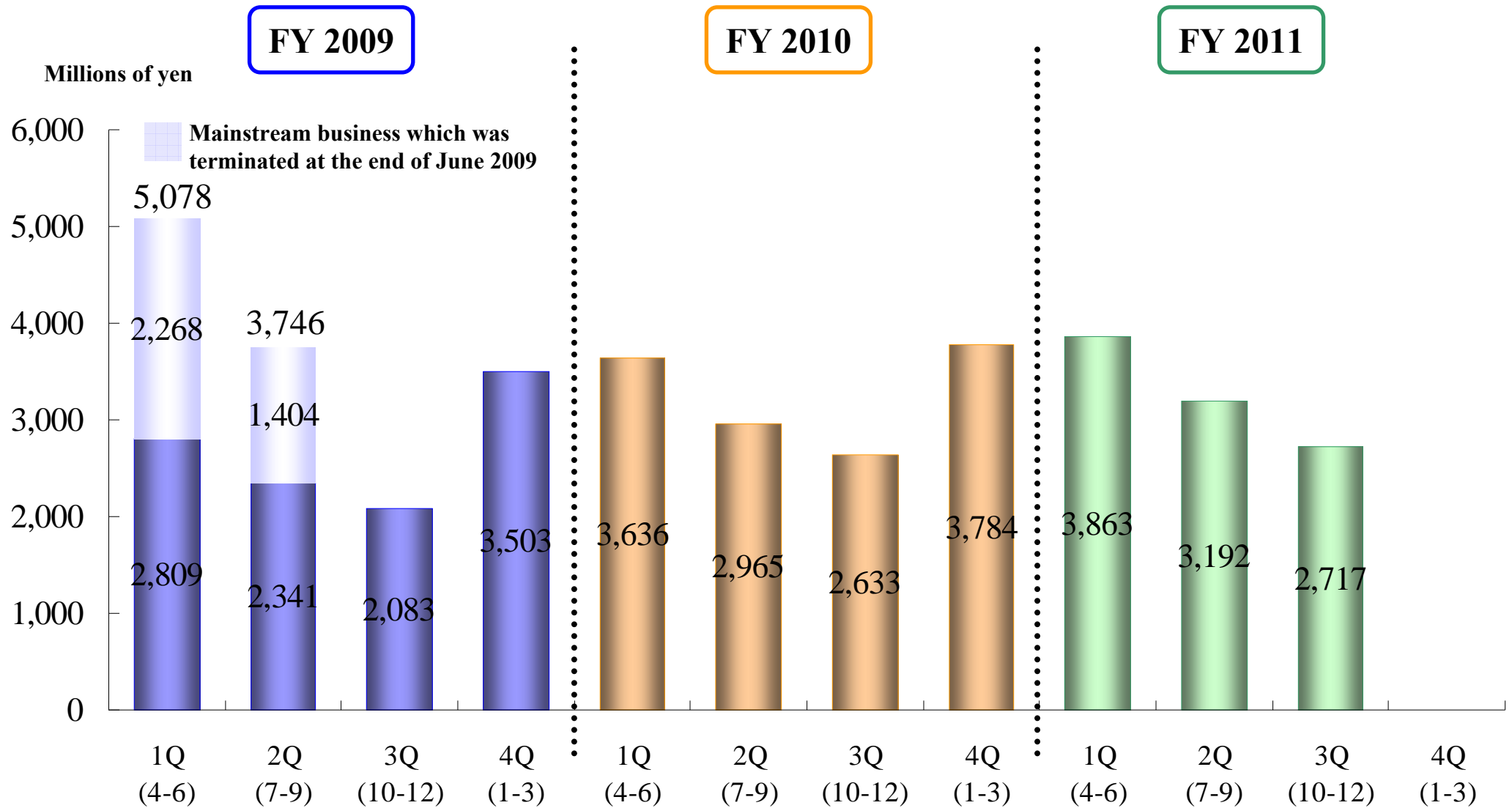
※Tax effect on loss carryover which is caused by the subsidiary merged in 1Q is included

Business summary

- As our perspective of business environment of the current fiscal year, it seemed that budget execution of our key customers were prudent due to the established strong yen, the impact on production activities by the floods in Thailand, adding to East Earthquake and nuclear power plant accident. However, for nine months consolidated results of the third quarter, we have generally remained steady overall.
- At CAE solutions services this fiscal year, we have focused on “multi-domain solutions” which allow engineers and designers to conduct complex analysis with our mainly distributing products, the Cybernet Group’s products, and engineering service. Such multi-domain solutions are expanding throughout our major accounts.

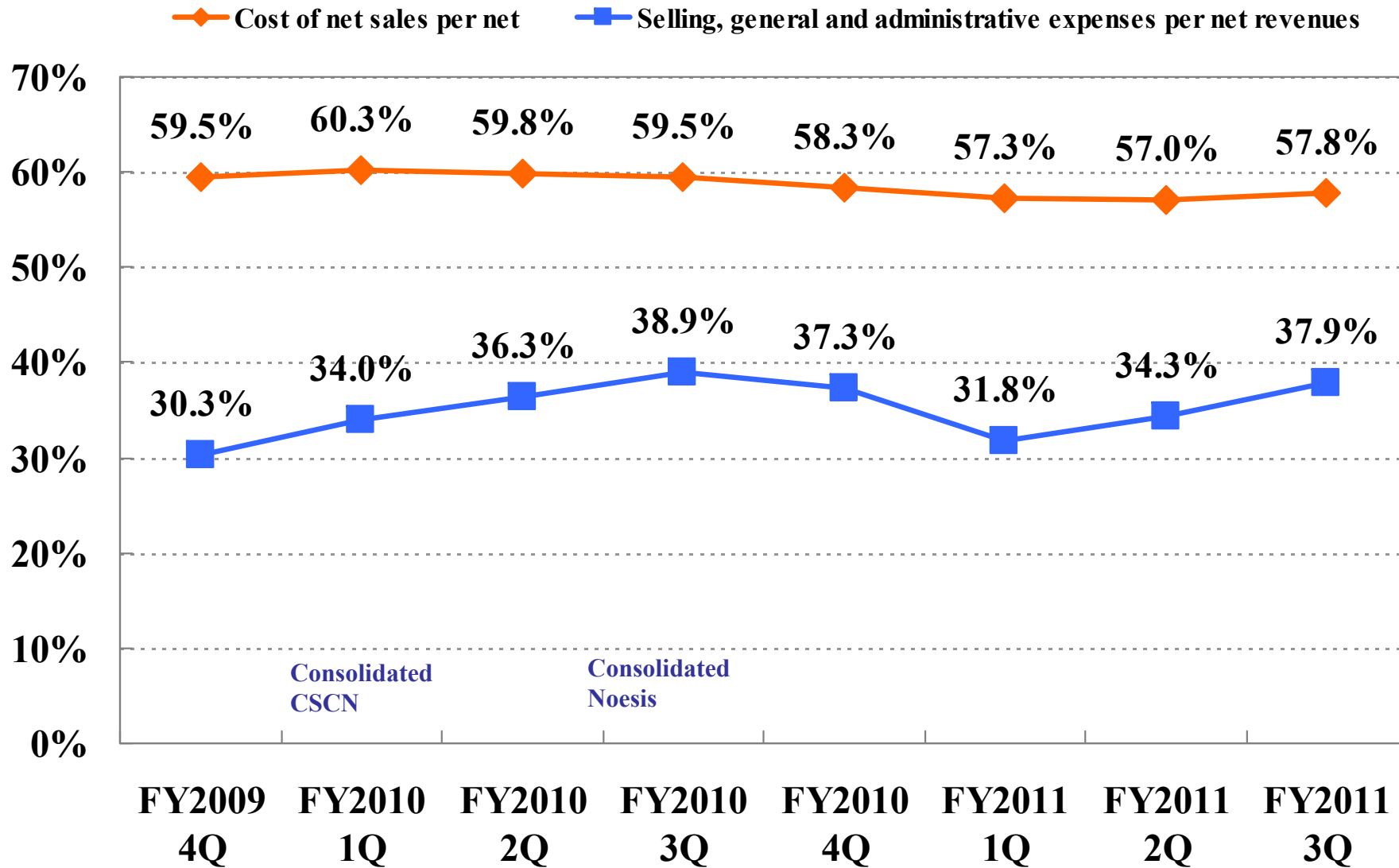
[Consolidated] Quarterly net sales

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 3Q	FY2011 3Q	Difference	Y-o-Y	Ratio	Details
Materials cost		2	2	-	0.0%	
Personal	1,224	1,343	119	109.8%	13.8%	Cybernet +53 Subsidiaries +59
Outsourcing fees	78	75	(2)	96.2%	0.8%	
Communication	13	14	0	104.8%	0.1%	
Transportation	58	68	9	116.7%	0.7%	Cybernet +1 Subsidiaries +5
Fixing and Supplies	8	8	0	108.2%	0.1%	
Rents	168	165	(2)	98.6%	1.7%	
Maintenance	12	14	1	112.7%	0.1%	
Depreciation	32	27	(5)	84.2%	0.3%	Cybernet(6) <From declining-balance method to straight-line method(3)>
Outsourcing	31	36	5	116.3%	0.4%	Cybernet +5
Commission	16	23	7	143.3%	0.2%	
Others	46	33	(13)	71.5%	0.3%	Research(14)
Total	1,691	1,814	123	107.3%	18.6%	

FY2010 3Q FY2011 3Q Difference

Inventory at beginning of period	0	4	+ 3
Transition from others	254	271	+ 17
Inventory at end of period	24	38	+ 13
Cost of sales for service	1,413	1,509	+ 96

[Consolidated] Selling and general administrative expenses

CYBERNET SYSTEMS CO., LTD.

Millions of yen

	FY2010 3Q	FY2011 3Q	Difference	Y-o-Y	Ratio	Details
Personal	1,846	1,945	99	105.4%	19.9%	Cybernet+18 Subsidiaries +82
Communication	119	117	(2)	97.8%	1.2%	
Transportation	146	147	1	100.9%	1.5%	
Fixing and Supplies	19	24	5	126.5%	0.2%	Cybernet +3
Recruiting	2	10	7	380.1%	0.1%	Cybernet +6
Education and Training	4	10	5	238.4%	0.1%	Cybernet +5
Rents	251	252	1	100.5%	2.6%	
Maintenance	47	48	1	102.7%	0.5%	
Depreciation	138	97	(40)	70.5%	1.0%	Distribution rights write-offs (10) From declining-balance method to straight-line method(16)
Amortization of goodwill	244	228	(15)	93.5%	2.3%	
Advertising	189	192	3	102.0%	2.0%	
Outsourcing	94	114	20	121.5%	1.2%	Cybernet +14
Commission	139	145	5	103.9%	1.5%	
Others	351	371	20	105.8%	3.8%	Sales support activities +41
Total	3,595	3,707	111	103.1%	37.9%	

Foreign Exchange Fluctuations and Increases/Decreases in Operating Margin

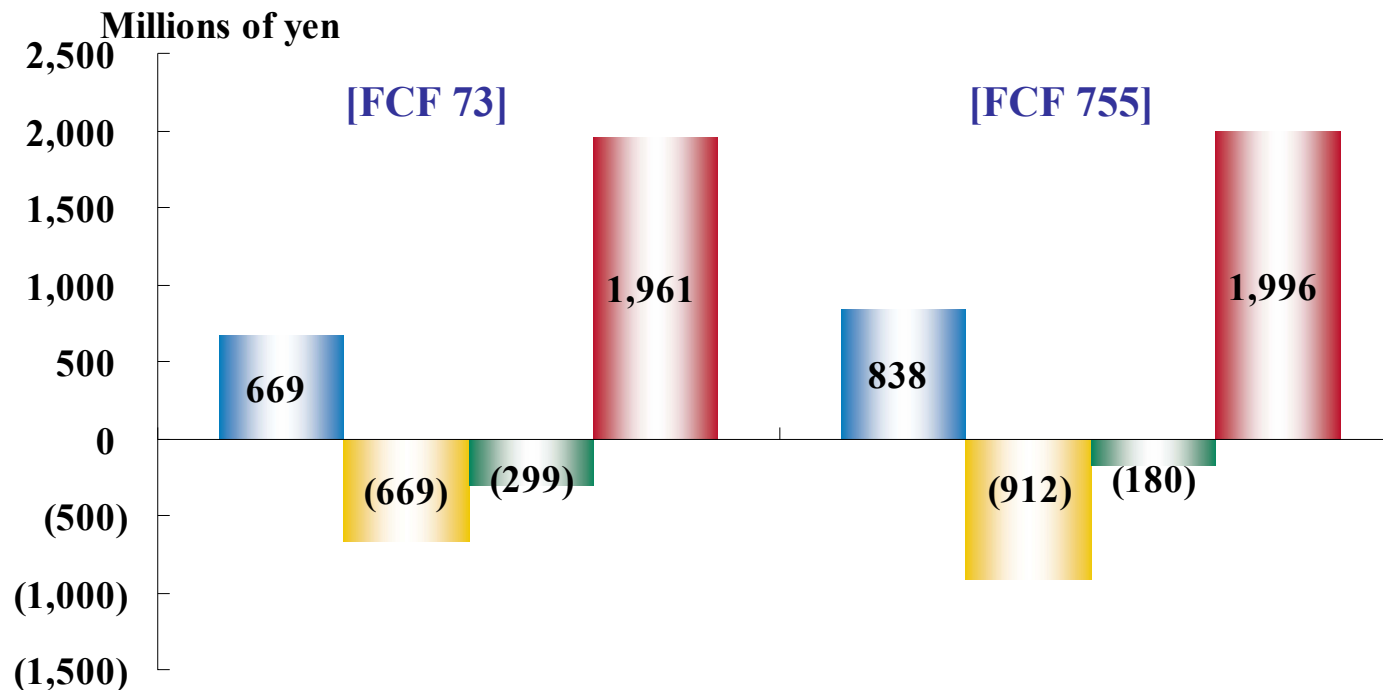
- Foreign Exchange Fluctuations
 - Average actual booking rate JPY80.39/USD
 - Actual buying rate JPY79.96/USD
 - Budget rate JPY87.00/USD
 - Difference of Y-Y actual booking rate
 — JPY 7.94/USD (FY2010 3Q: JPY88.33/USD)
 - Difference between booking rate and budget rate
 — JPY6.61/USD
 - ✂Effect for gross profit compared to budget + JPY134M
 - Difference between actual buying rate and budget rate
 — JPY7.04/USD

- Foreign Currency Transaction Gain and Loss (End of term rate JPY77.74/USD)
 - Gain/loss from revaluation of foreign currency-denominated deposit — JPY47M
 - Gain/loss from revaluation of payables + JPY24M
 - Gain/loss at book-closing — JPY8M
 - Gain/loss from revaluation of foreign exchange forward contracts — JPY17M
 - TOTAL — JPY48M

[Consolidated] Statements of Cash Flows

CYBERNET SYSTEMS CO., LTD.

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



Net cash provided by operating activities		
Income before taxes	▶	+ 474
Depreciation	▶	+ 162
Amortization of goodwill	▶	+ 228
Foreing exchange losses	▶	+ 41
Notes and account receivable(decrease)	▶	+ 636
Inventory(decrease)	▶	+ 24
Account payable(decrease)		(463)
Accrued expenses(decrease)		(27)
Consumption taxes payable(increase)	▶	+ 36
Provision for retirement benefits (increase)	▶	+ 59
Income taxes paid		(352)

Net cash provided by investing activities		
Proceeds from sales of investment securities	▶	+ 1,025
Proceeds from redemption of securities	▶	+ 127
Balance of payments of loans receivable		(1,899)

Net cash provided by financing activities		
Payment for dividends		(180)

[Consolidated] Business Segment Information

CYBERNET SYSTEMS CO., LTD.

FY2010 3Q

Millions of yen

	CAE Solution Services			IT Solution Services			Elimination	Consolidated	
	Amount	Composition ratio	Ratio	Amount	Composition ratio	Ratio		Amount	Ratio
Net sales	7,874	85.3%	—	1,352	14.7%	—	7	9,234	—
Operating expenses	6,778	—	86.1%	1,265	—	93.6%	1,043	9,087	98.4%
Operating income	1,095	—	13.9%	87	—	6.4%	(1,035)	146	1.6%

FY2011 3Q

Millions of yen

	CAE Solution Services			IT Solution Services			Elimination	Consolidated	
	Amount	Composition ratio	Ratio	Amount	Composition ratio	Ratio		Amount	Ratio
Net sales	8,597	88.0%	—	1,175	12.0%	—	0	9,773	—
Operating expenses	7,240	—	84.2%	1,119	—	95.2%	1,000	9,359	95.8%
Operating income	1,357	—	15.8%	56	—	4.8%	(1,000)	413	4.2%

CAE solution (Y-o-Y Sales Increase 9.2%)

- (1) Newly software license sales of focused software are greatly extended.
- (2) Maintenance renewal result was stable on mostly mainstream software.
- (3) Numbers of major license sales opportunities contribute to the result.
- (4) Increasing numbers of prospects from automotive industries and Model-based related business on engineering service.

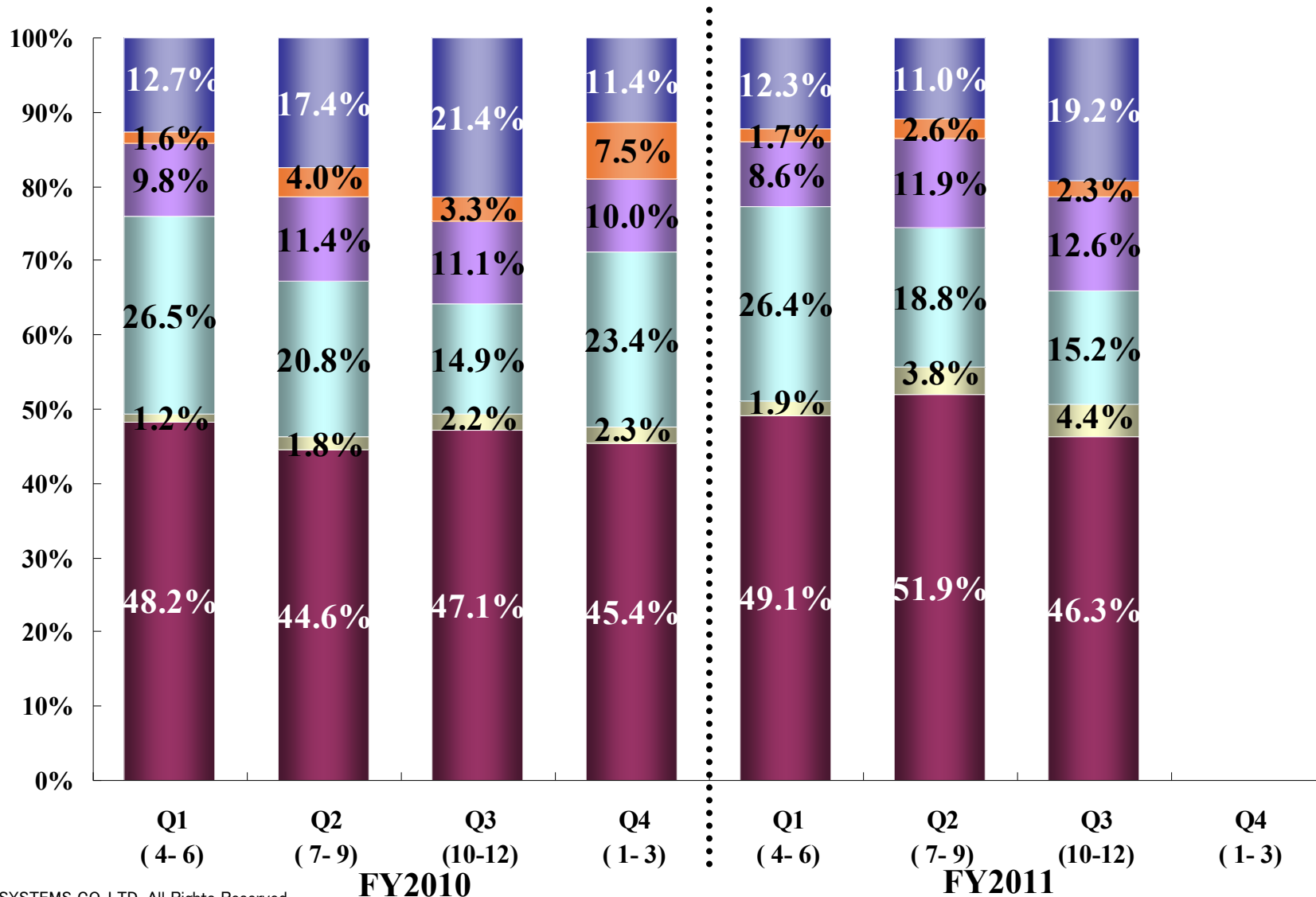
IT Solution (Y-o-Y Sales decrease 13.1%)

- (1) Terminal emulation software and Disk Encryption software are favorable.
- (2) Security-related software & services were dull due to a IT budget review and business merger of customers.

[Non-consolidated] Net Sales by Business Line

CYBERNET SYSTEMS CO., LTD.

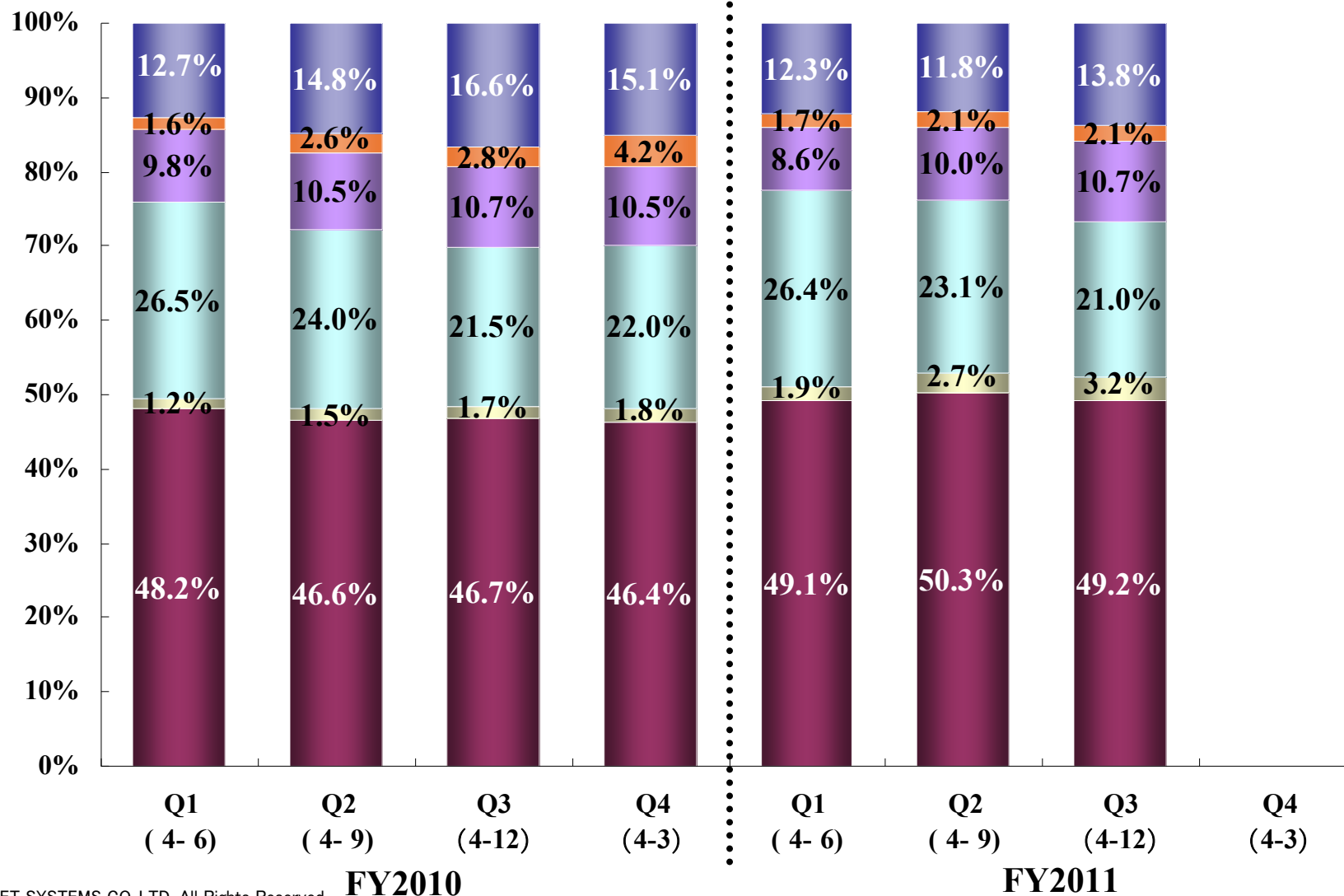
■ Mechanical system
 ■ Numerical and Control
 ■ Optical system
 ■ Circuit design
 ■ Others
 ■ IT solution



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

CYBERNET SYSTEMS CO., LTD.

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



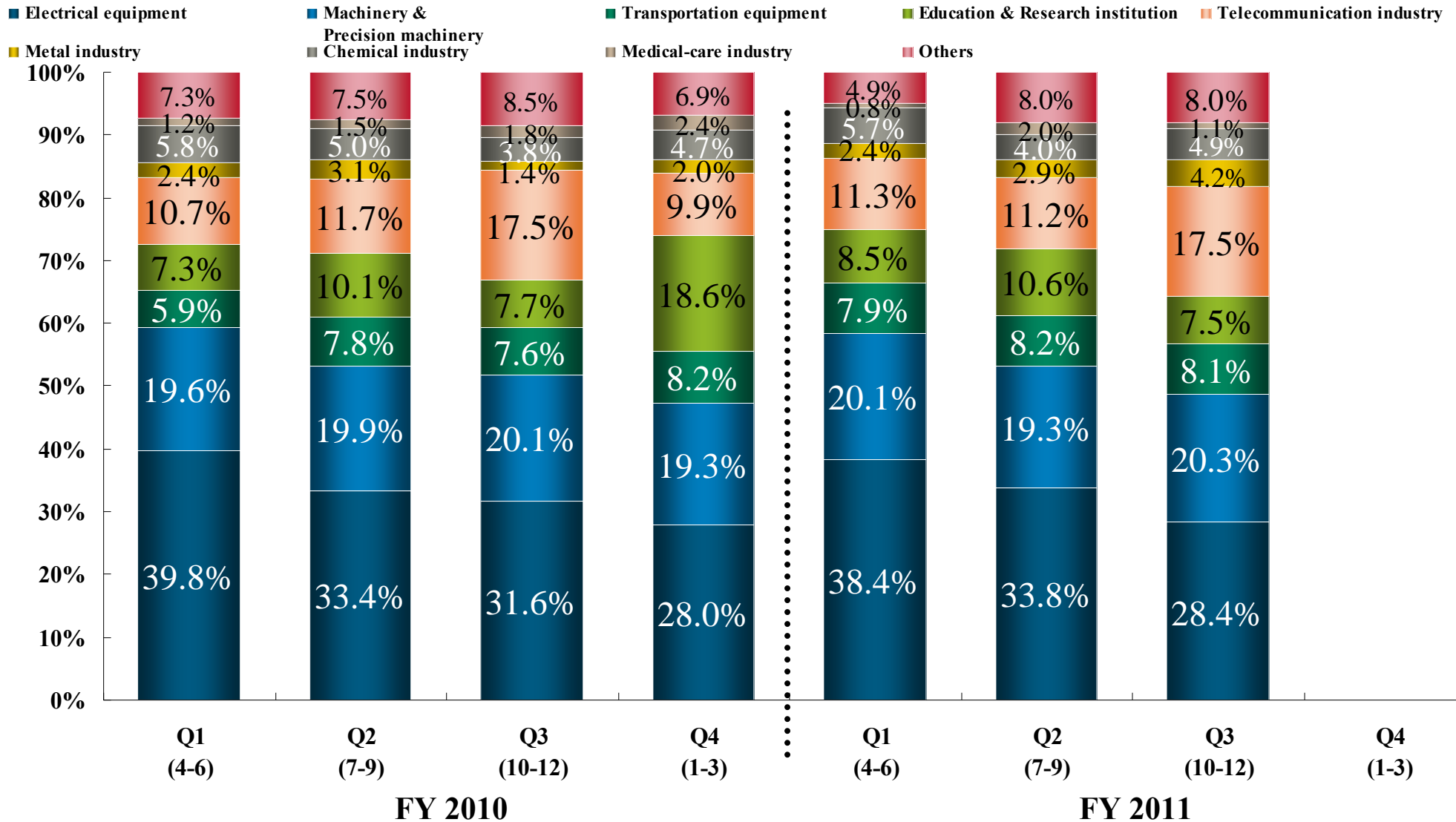
Summary by application area

CYBERNET SYSTEMS CO., LTD.

CAE Solution Services	
M e c h a n i c a l	<p>The new license sales of major projects contributed until the second quarter.</p> <p>In the third quarter, new license sales decrease significantly</p> <p>Maintenance renewal keeps high renewal rate</p>
O p t i c a l / I l l u m i n a t i o n	<p>Renewal sales of mainstream software solidly continue.</p> <p>The new license sales slow.</p> <p>New opportunities of the optical measurements equipment contributes.</p>
E D A	<p>Renewal sales, higher than the same period a year earlier, steady.</p> <p>Achieving EDA tools of system LSI on major projects contribute sales strongly</p>
N u m e r i c a l a n d c o n t r o l	<p>Increase new order of multi-physics modeling environment tool from automotive industry .</p> <p>Focus on enhancement of group company product</p>
N e w p r o d u c t s a n d o t h e r s	<p>Significantly increasing of new license sales for potential products</p> <p>Upswing trend of inquiry from automotive industry for engineering and development</p>
IT Solution Services	
<p>Terminal emulation software and Disk Encryption software are favorable.</p> <p>Security-related software & services were dull due to a IT budget review and business merger of customers.</p>	

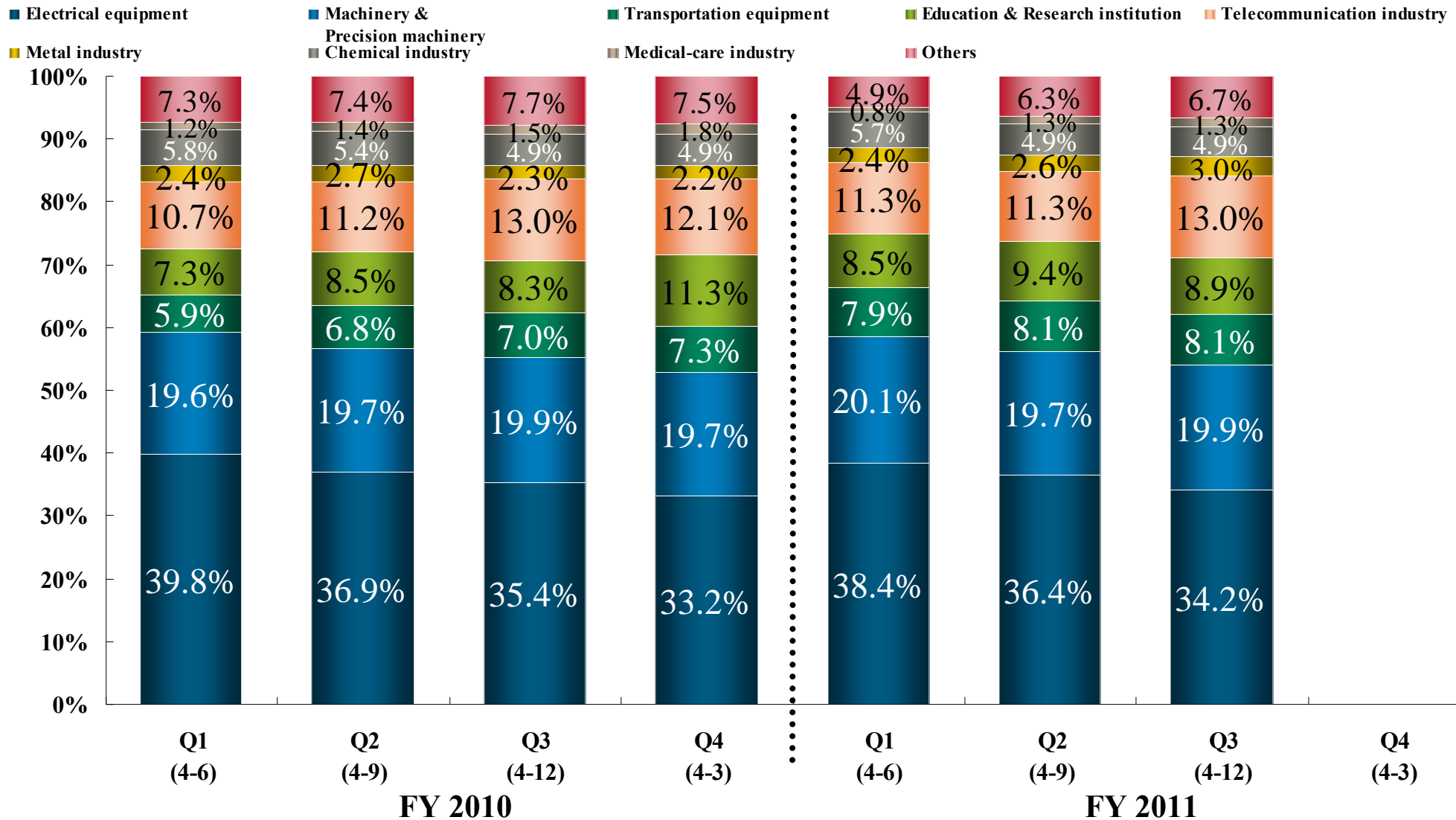
[Non-consolidated] Net Sales by Category of Industry

CYBERNET SYSTEMS CO., LTD.



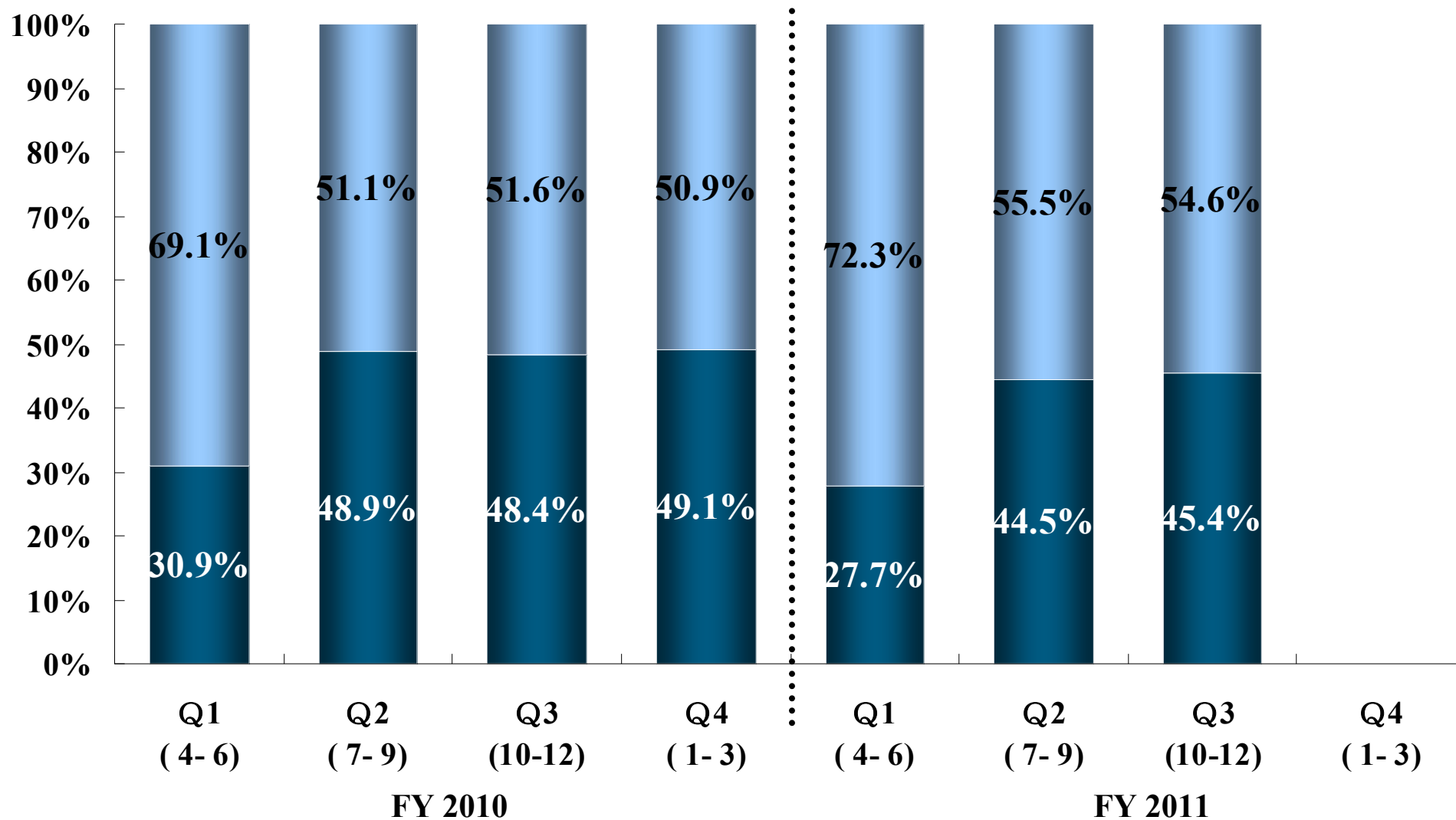
[Non-consolidated] (Cumulative) Net Sales by Category of Industry

CYBERNET SYSTEMS CO., LTD.



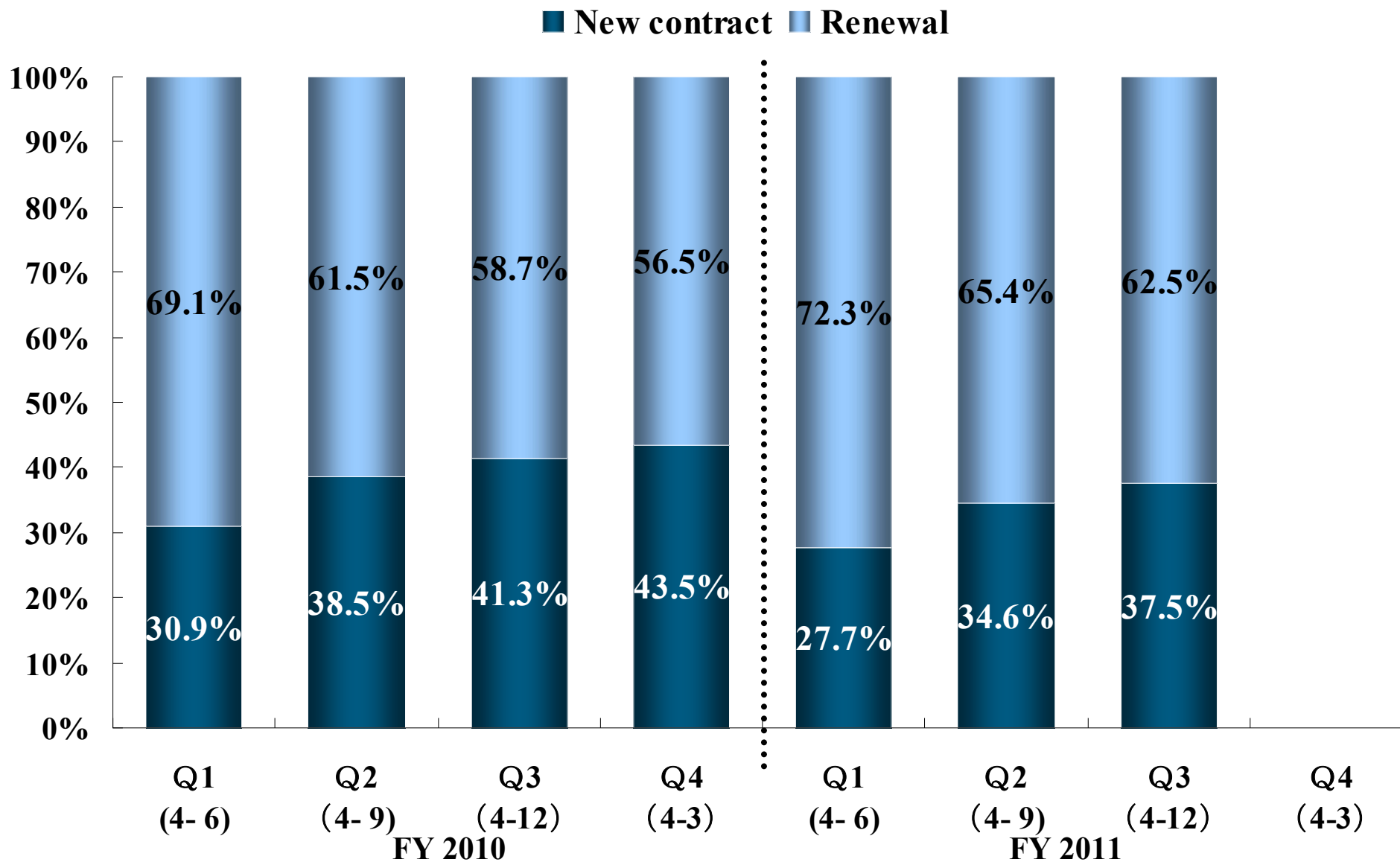
[Consolidated] Net Sales by Contract CYBERNET SYSTEMS CO., LTD.

■ New contract ■ Renewal



[Consolidated]
(Cumulative) Net Sales by Contract

CYBERNET SYSTEMS CO., LTD.



CYBERNET SYSTEMS CO., LTD.

Projections of Results for FY2011



[Consolidated] FY2011 Forecast

CYBERNET SYSTEMS CO., LTD.

millions of yen

	Full Year			
	※FY2009	FY2010	FY2011F	Y-o-Y
Net sales	10,737	13,019	13,670	105.0%
Gross profit ratio	3,801 35.4%	5,433 41.7%	5,564 40.7%	102.4% (1.0%)
Operating income ratio	(465) (4.3%)	581 4.5%	602 4.4%	103.5% (0.1%)
Ordinary income ratio	(357) (3.3%)	635 4.9%	650 4.8%	102.2% (0.1%)
Income before tax ratio	(464) (4.3%)	626 4.8%	644 4.7%	102.8% (0.1%)
Net income ratio	(343) (3.2%)	569 4.4%	274 2.0%	48.1% (2.4%)

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

Revision of Forecasted Dividends

CYBERNET SYSTEMS CO., LTD.

Revision of Basic Policies on Profit Distribution to improve stock value.

Traditionally

Payout ratio : more than 30%

From now on

1. Stable and sustained
2. Earning results-linked

Calculated based on the two indicators above

Yen

	FY2010	FY2011F		
	Annual dividends	Interim dividends	Year-end dividends	Annual dividends
Dividend per share (Forecast)	550	160	160	320
Dividend per share (Revision)		160	500	660
Net income per share	1,822.08	—	—	879.38

CYBERNET SYSTEMS CO., LTD.

Reference



Corporate Overview

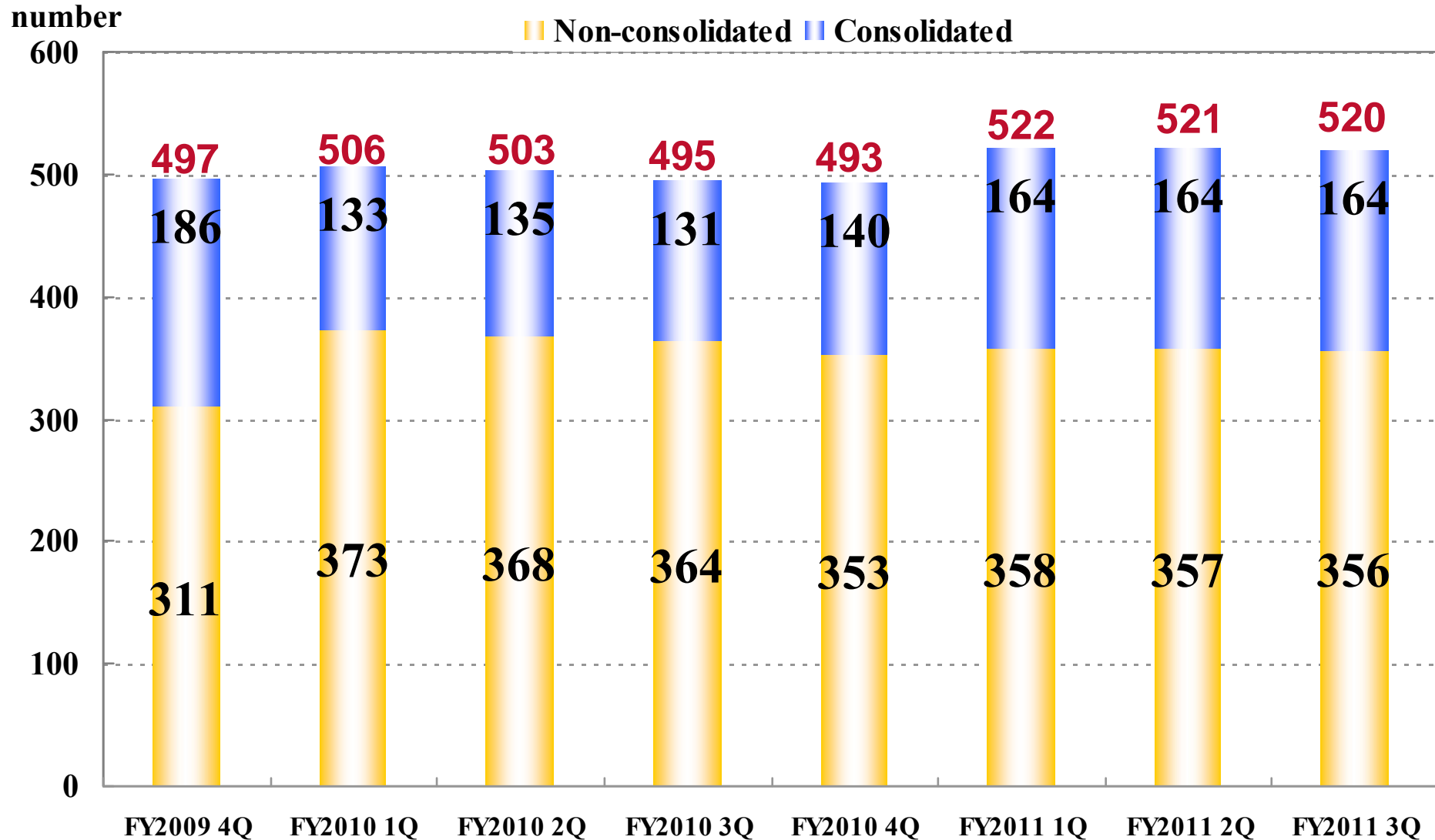
CYBERNET SYSTEMS CO., LTD.

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 December 31, 2011)
Number of Employees :	Consolidated / 520, Non-Consolidated / 356 (as of December 31, 2011)
Subsidiaries & affiliates :	Consolidated / Waterloo Maple Inc. Noesis Solutions NV CYBERNET CAE SYSTEMS (Shanghai) CO., LTD. Sigmatix, L.L.C. CYBERNET HOLDINGS CANADA, INC. (Special Purpose Company) Cybernet Systems Holdings U.S. Inc. (Special Purpose Company) Non-Consolidated / CYBERNET SYSTEMS TAIWAN CO., LTD.
Software Vendors :	20 software companies mostly in the US, including ANSYS, Inc. 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 Second Quarter of the Year Ending March 31, 2012



[Non-consolidated]
Performance Summary

CYBERNET SYSTEMS CO., LTD.

Millions of yen

	FY2010 3Q		FY2011 3Q				
	Amount	Ratio	Amount	Ratio	Y-o-Y	Estimates	Difference from Plan
Net sales	7,977	—	8,529	—	106.9%	8,513	100.2%
Gross profit	3,180	39.9%	3,515	41.2%	110.5%	3,172	110.8%
Operating income	440	5.5%	749	8.8%	170.2%	385	194.7%
Ordinary income	427	5.4%	727	8.5%	170.3%	392	185.4%
Net income	573	7.2%	407	4.8%	71.1%	221	184.0%

[Non-consolidated] Cost of sales for service

CYBERNET SYSTEMS CO., LTD.

Millions of yen

	FY2010 3Q	FY2011 3Q	Difference	Y-o-Y	Ratio
Materials cost	—	2	2	—	0.0%
Personal	796	873	76	109.6%	10.2%
Outsourcing fees	77	65	(11)	85.4%	0.8%
Communication	7	6	(0)	89.1%	0.1%
Transportation	50	52	2	105.1%	0.6%
Fixing and supplies	4	5	0	113.4%	0.1%
Rent	137	132	(4)	96.4%	1.6%
Maintenance	4	6	2	157.5%	0.1%
Depreciation	14	7	(6)	53.2%	0.1%
Operating consignment	27	33	5	121.0%	0.4%
Commission	9	14	4	147.3%	0.2%
Others	23	20	(2)	90.9%	0.2%
Total	1,152	1,220	68	106.0%	14.3%

[Non-consolidated]
Selling and general administrative expenses

CYBERNET SYSTEMS CO., LTD.

Millions of yen

	FY2010 3Q	FY2011 3Q	Difference	Y-o-Y	Ratio
Personal	1,452	1,497	44	103.1%	17.6%
Communication	89	85	(3)	95.6%	1.0%
Transportation	117	113	(3)	96.9%	1.3%
Fixing and supplies	13	16	3	127.4%	0.2%
Recruiting	2	9	6	407.3%	0.1%
Education and training	3	8	5	248.5%	0.1%
Rent	219	219	(0)	99.8%	2.6%
Maintenance	37	38	1	104.8%	0.5%
Depreciation	126	85	(40)	67.6%	1.0%
Amortization of good-will	35	3	(31)	11.1%	0.0%
advertising	130	134	3	102.5%	1.6%
Outsourcing	91	107	15	117.1%	1.3%
Commission	107	115	7	107.4%	1.4%
Others	311	329	17	105.6%	3.9%
Total	2,739	2,766	26	101.0%	32.4%

[Non-consolidated] FY2011 Forecast

CYBERNET SYSTEMS CO., LTD.

millions of yen

	Full Year			
	※FY2009	FY2010	FY2011F	Y-o-Y
Net sales	8,450	11,267	11,750	104.3%
Gross profit ratio	3,040 36.0%	4,608 40.9%	4,452 37.9%	96.6% (3.0%)
Operating income ratio	(288) (3.4%)	899 8.0%	788 6.7%	87.7% (1.3%)
Ordinary income ratio	(186) (2.2%)	907 8.1%	800 6.8%	88.2% (1.2%)
Income before tax ratio	(465) (5.5%)	981 8.7%	794 6.8%	80.9% (1.9%)
Net income ratio	(371) (4.4%)	852 7.6%	464 3.9%	54.5% (3.6%)

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

CYBERNET SYSTEMS CO., LTD.

■ Public Relations Department

Address: Fuji Soft Bldg., 3, Kanda Neribeicho, Chiyoda-ku, Tokyo 101-0022, Japan

TEL.: +81-3-5297-3066

FAX.: +81-3-5297-3609

E-mail: irquery@cybernet.co.jp

URL: <http://www.cybernet.co.jp>

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