

Financial Statements(under Japanese GAAP)

January 31, 2012

Company name	IFIS JAPAN LTD.	Stock Exchange	TSE Mothers
Code number	7833	URL	http://www.ifis.co.jp
Representative	President	Kazuharu Osawa	
Contact	Director	Shogo Noguchi	TEL 81-(3)6825-1250
Scheduled date of annual shareholder's meeting	March 16, 2012	Scheduled start date of dividend	March 19, 2012
Scheduled submission date of annual security report	March 16, 2012		
Preparation of supplementary material on earnings	: Yes		
Holding of earnings performance review	: Yes (for analysts)		

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2011

(January 1, 2011 to December 31, 2011)

(1) Consolidated Operating Results

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

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

	Net sales		Operating income		Ordinary income		Net income	
	Yen million	%	Yen million	%	Yen million	%	Yen million	%
Fiscal year ended December 2011	2,446	-9.4	179	62.6	181	47.8	124	47.2
Fiscal year ended December 2010	2,699	-8.9	110	55.0	122	36.5	84	132.3

	Net income per share	Diluted net income per share	Return on equity	Return on assets	Profit margin on sales
	Yen	Yen	%	%	%
Fiscal year ended December 2011	2,545.71	2,542.47	8.2	9.2	7.3
Fiscal year ended December 2010	1,690.55	1,688.18	5.7	6.3	4.1

(Reference)	Earnings on investments in equity-method affiliates	Fiscal year ended December 2011 Fiscal year ended December 2010	None None
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(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Yen million	Yen million	%	Yen
Fiscal year ended December 2011	1,958	1,602	79.1	32,162.56
Fiscal year ended December 2010	1,958	1,546	76.2	29,983.28

(Reference)	Equity	Fiscal year ended December 2011 Fiscal year ended December 2010	Yen1,548 million Yen1,491 million
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(3) Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investment activities	Net cash provided by (used in) financing activities	Closing balance of cash and cash equivalents
	Yen million	Yen million	Yen million	Yen million
Fiscal year ended December 2011	268	-49	-66	1,301
Fiscal year ended December 2010	238	-70	-36	1,149

2. Dividends

	Annual dividends					Total cash dividends Yen million	Dividend payout ratio (consolidated) %	Dividends on equity (consolidated) %
	1 st Qtr	2 nd Qtr	3 rd Qtr	Year-end	Total			
Fiscal year ended December 2010	Yen -	Yen 0	Yen -	Yen 500.00	Yen 500.00	24	29.6	1.7
Fiscal year ended December 2011	-	0	-	600.00	600.00	28	23.6	1.9
Fiscal year ending December 2012 (Estimated)	-	0	-	600.00	600.00	-	20.6	-

3. Projected Results for Fiscal year 2012

(January 1 to December 31, 2012)

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Yen million	%	Yen million	%	Yen million	%	Yen million	%	Yen
First half ending Jun. 2012	1,250	3.2	70	-21.4	70	-22.4	50	-7.1	1,038.23
Fiscal year ending Dec. 2012	2,600	6.3	210	17.3	210	15.9	140	12.8	2,907.04

4. Other

(1) Significant changes in subsidiaries during the period (changes in specified subsidiaries resulting in the change in consolidation scope): None

(2) Changes in accounting principles, procedures, and the presentation for consolidated financial statements (matters to be included in the section, Changes in Basic Important Matters for Preparation of Consolidated Financial Statements)

1) Changes due to revisions of accounting standards etc: Yes

2) Changes other than 1): None

(3) Number of shares outstanding (common stock)

1) Number of shares outstanding at term end (including treasury stock)

-Fiscal year ended December 2011: 51,070 shares

-Fiscal year ended December 2010: 51,070 shares

2) Number of shares of treasury stock at term end

-Fiscal year ended December 2011: 2,911 shares

-Fiscal year ended December 2010: 1,332 shares

3) Average number of shares during the period

-Fiscal year ended December 2011: 48,744 shares

-Fiscal year ended December 2010: 49,853 shares

(Reference) Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended December 31, 2011
(January 1 to December 31, 2011)

(1) Non-Consolidated Operating Results

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

	Net sales		Operating income		Ordinary income		Net income	
	Yen million	%	Yen million	%	Yen million	%	Yen million	%
Fiscal year ended December 2011	1,892	-12.0	120	10.9	125	8.0	67	9.1
Fiscal year ended December 2010	2,149	-8.6	109	15.3	116	14.6	62	46.0

	Net income per share		Diluted net income per share	
	Yen		Yen	
Fiscal year ended December 2011	1,389.16		1,387.40	
Fiscal year ended December 2010	1,244.72		1,242.97	

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Yen million	Yen million	%	Yen
Fiscal year ended December 2011	1,844	1,559	84.6	32,391.44
Fiscal year ended December 2010	1,897	1,558	82.2	31,338.32

(Reference) Equity Fiscal year ended December 2011 Yen1,559 million
Fiscal year ended December 2010 Yen1,558 million

2. Non-Consolidated earnings forecasts for Fiscal year 2012
(January 1 to December 31, 2012)

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

	Net sales		Ordinary income		Net income		Net income per share
	Yen million	%	Yen million	%	Yen million	%	Yen
First half ending Jun. 2012	940	-1.7	50	-29.3	30	-17.2	622.94
Fiscal year ending Dec. 2012	1,950	3.1	130	3.4	80	18.1	1,661.16

* Disclosure regarding execution of audit procedures

At the time of disclosure of this earnings report, audit procedures in accordance with the Financial Instruments and Exchange Act are in progress.

* Note to ensure appropriate use of forecasts, and other noteworthy items

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.

The Company holds presentations for analysts regarding the six-month and year-end results. Distributed presentation materials and audio recordings from performance reviews are available on the Company's website.

5. Consolidated Financial Statements
(1) Consolidated balance sheet

(Thousands of yen)

	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Assets		
Current assets		
Cash and deposits	1,199,047	1,351,933
accounts receivable-trade	275,765	211,713
Deferred tax assets	14,998	19,055
Other	20,463	29,901
Allowance for doubtful accounts	1,281	765
Total current assets	1,508,994	1,611,837
Noncurrent assets		
Property, plant and equipment		
Buildings and accompanying facilities	29,457	29,857
Accumulated depreciation	15,011	17,403
Buildings and accompanying facilities, Net	14,446	12,453
vehicles	617	-
Accumulated depreciation	603	-
Vehicles, Net	13	-
Tools, furniture and fixtures	143,679	149,056
Accumulated depreciation	114,510	125,587
Tools, furniture and fixtures, Net	29,169	23,468
Lease assets	4,478	4,478
Accumulated depreciation	1,492	2,239
Lease assets, Net	2,985	2,239
Total Property, plant and equipment	46,614	38,161
Intangible assets		
Goodwill	4,211	1,545
Software	292,217	200,506
Other	604	10,144
Total intangible assets	297,034	212,196
Investments and other assets		
Investment securities	15,190	14,406
Investments in capital of subsidiaries and	12,630	21,834
Guarantee deposits	69,113	49,622
Deferred tax assets	-	4,644
Other	8,727	5,753
Total investment and other assets	105,661	96,262
Total noncurrent assets	449,311	346,620
Total assets	1,958,305	1,958,458
Liabilities		
Current liabilities		
Accounts payable-trade	216,092	161,495
Lease obligations	783	783
Income taxes payable	37,655	34,637
Accounts payable-other	33,343	36,049
Advances received	74,266	77,987
Provision for bonuses	6,020	8,066
Other	39,369	34,297
Total current liabilities	407,532	353,317
Noncurrent liabilities		
Lease obligations	2,351	1,567
Deferred tax liabilities	1,465	1,345
Total noncurrent liabilities	3,816	2,913
Total liabilities	411,348	356,230
Net assets		
Shareholders' equity		
Capital stock	381,290	381,290
Capital surplus	437,090	437,090
Retained earnings	709,338	808,557
Treasury stock	36,584	77,912
Total shareholders' equity	1,491,134	1,549,025
accumulated other comprehensive income		
Valuation difference on available-for-sale	174	108
Total accumulated other comprehensive income	174	108
Minority interests	55,648	53,311
Total net assets	1,546,956	1,602,227
Total net liabilities	1,958,305	1,958,458

(2) Consolidated statement of income

(Thousands of yen)

	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Net sales	2,699,584	2,446,063
Cost of sales	1,763,260	1,445,946
Gross profit	936,323	1,000,116
Selling, general and administrative expenses	826,183	821,051
Operating income	110,140	179,065
Non-operating income		
Interest income	838	682
Dividends income	259	452
Refund of consumption tax etc.	74	34
Amortization of negative goodwill	7,621	-
Other	3,909	1,115
Total non-operating income	12,702	2,284
Non-operating expenses		
Forex translation loss	142	-
Purchase of treasury stock expenses	173	226
Total non-operating expenses	316	226
Ordinary income	122,526	181,123
Extraordinary loss		
Loss on retirement of noncurrent assets	869	101
Losses on sale of shares in subsidiaries	340	-
Loss on adjustment for changes of accounting standard for asset retirement	-	9,750
Total extraordinary loss	1,210	9,851
Income before income taxes	121,315	171,271
Income taxes-current	51,254	57,702
Income taxes-deferred	15,235	8,641
Total income taxes	36,018	49,061
Minority interests in income or loss()	-	122,210
Minority interests in income	1,019	1,877
Net income	84,278	124,088

(3) Consolidated statement of cash flows

(Thousands of yen)

	Fiscal year ended December 31, 2010	Fiscal year ended December 31, 2011
Net cash provided by (used in) operating activities		
Income before income taxes	121,315	171,271
Depreciation and amortization	147,794	141,006
Loss(gain)on sales of subsidiaries' stocks	340	-
Amortization of goodwill	11,586	2,666
Amortization of negative goodwill	7,621	-
Increase (decrease) in allowance for doubtful accounts	906	515
Increase (decrease) in provision for bonuses	8,731	2,045
Interest and dividends income	1,098	1,135
Loss on retirement of noncurrent assets	869	101
Decrease (increase) in notes and accounts receivable-trade	43,316	67,773
Increase (decrease) in notes and accounts payable-trade	14,617	54,596
Increase (decrease) in accrued consumption taxes	1,990	4,591
Other	12,260	4,121
Subtotal	210,641	328,147
Interest and dividends income received	1,098	1,135
Income taxes paid	16,609	60,380
Income taxes refund	43,286	-
Net cash provided by (used in) operating activities	238,417	268,902
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	4,450	6,846
Purchase of intangible assets	18,073	41,057
Purchase of investment securities	4,995	10,000
Proceeds from return of investment securities	-	10,321
Payments for investments in capital of subsidiaries and affiliates	12,630	9,204
Expenditure resulting from sale of shares in subsidiaries due to change in scope of consolidation	27,896	-
Purchase of investments in subsidiaries	2,250	-
Payments for guarantee deposits	28	-
Proceeds from collection of guarantee deposits	88	7,425
Net cash provided by (used in) investment activities	70,234	49,360
Net cash provided by (used in) financing activities		
Purchase of treasury stock	11,272	41,327
Cash dividends paid	25,070	24,869
Cash dividends paid to minority shareholders	480	460
Total net cash provided by (used in) financing activities	36,823	66,656
Net increase (decrease) in cash and cash equivalents	131,359	152,885
Opening balance of cash and cash equivalents	1,017,688	1,149,047
Closing balance of cash and cash equivalents	1,149,047	1,301,933