

Financial results for the three-month period ended June 30, 2008

August 6, 2008

CSK HOLDINGS CORPORATION

- **Consolidated financial results for Q1 of FY2009/3**
 - **IT services business**
 - **Financial services related business**
- **Consolidated financial forecasts for FY2009/3**

< Disclaimer >

This material is intended to provide information about the business performance and strategy of the CSK Group. It is not intended and should not be construed as an inducement to purchase or sell stock in CSK HOLDINGS or CSK Group companies. Statements in this presentation and at the explanatory meeting that are not historical fact are forward-looking statements, based on the current beliefs, estimates and expectations of management. As these beliefs, estimates and expectations are subject to a number of risks, uncertainties, and assumptions, actual results may be materially different. CSK HOLDINGS undertakes no obligation to update any forward-looking statements, and shall in no event be liable for any damages arising out of the use or interpretation of this material. Please refrain from copying, disseminating or distributing this material without the prior consent of CSK HOLDINGS.

Summary



(millions of yen)

	2008/3 1Q	2009/3 1Q	Variance	
Operating revenue	68,099	51,128	△ 16,971	△ 24.9%
Operating income	17,586	△ 3,753	△ 21,340	△ 121.3%
Operating income margin	25.8%	△ 7.3%	△ 33.2%	-
Ordinary income	18,364	△ 3,001	△ 21,366	△ 116.3%
Net income	13,183	△ 3,232	△ 16,415	△ 124.5%

(yen)

	2008/3 1Q	2009/3 1Q	Variance
EPS	178.29	△ 45.82	△ 224.11
BPS	2,604.54	2,241.23	△ 363.31

IT Services Business: Operating revenue +3.3%

Technology services: Large-scale systems projects for financial institutions acted as the driving force.
Orders for system development rose 15.6%.

Business services: Revenue fell in areas centering on product verification services and technical support.

Financial Services Business: No change was observed in the funding policies of financial institutions.
A sense of market uncertainty remained.

Investment deals scheduled for sale in 1H are concentrated in 2Q.

No impairment occurred to assets held. Operations with an emphasis on liquidity continued.

Securities Business: Deterioration resulting from stock market conditions.

Results showed signs of a recovery, with a new strategy focusing on the retail business.

—Organizational changes, restructuring of wholesale and administration function, etc. for strengthening sales capabilities

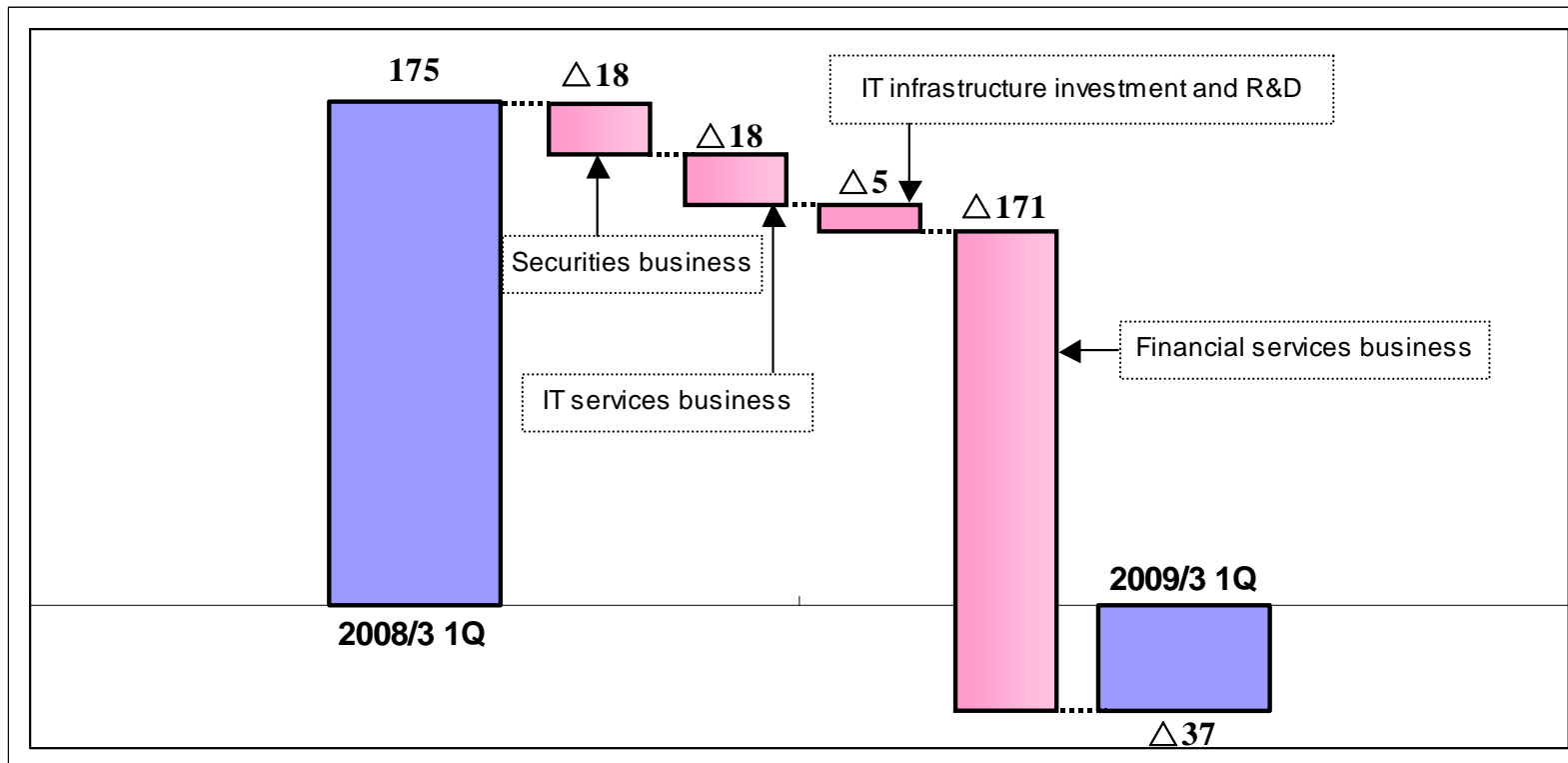
Securities-Related Business: CSK Group is becoming to take steps to make the securities-related business a full-fledged core pillar.

The conversion of Cosmo Securities into a wholly owned subsidiary has been completed. Achieve securities business strategies and increase corporate value by actively integrating the CSK Group's know-how and resources.

Attribution analysis



(100millions of yen)



SGA and non-operating income/expenses

(100millions of yen)

SGA	2008/3 1Q	2009/3 1Q	Variance	Comment
Payroll cost	78.5	82.6	4.1	Increase in employees
Subcontract cost	21.4	17.1	△4.3	Cost reduction in Cosmo Securities, etc.
Depreciation and amortization	5.5	9.8	4.2	Increase in capex at CSK Holdings and Cosmo Securities
Rent	12.8	15.5	2.6	Increase in office space. Rise in unit prices, etc.
Other, net	43.5	51.0	7.5	Rental fee. R&D. Maintenance fees, etc.
Selling, general and administrative expenses	161.8	176.2	14.3	

Non-operating income	2008/3 1Q	2009/3 1Q	Variance	Comment
Interest income	1.2	0.1	△1.1	Added sales according to accounting change of QUO CARD
Dividend income	2.4	2.5	0.0	Increase in dividends from holdings of marketable securities
Foreign exchange gain	-	1.4	1.4	Income on foreign exchange deposits
Hoard profit of prepaid card	3.2	2.3	△0.8	Decrease in hoard profit on prepaid card
Additional tax refunds	1.4	-	△1.4	
Other, net	1.5	2.9	1.4	House rent income. Subsidy income, etc.
Non-operating income	9.9	9.5	△0.4	

Non-operating expenses	2008/3 1Q	2009/3 1Q	Variance	Comment
Interest expense	0.3	0.0	△0.3	
Loss on sales of investments in securities	-	0.5	0.5	Sales of holdings of marketable securities
Provision for accrued employees' retirement benefits	0.6	0.6	-	Amortization of difference at time of change of accounting standards
Transfer agent commission	0.2	-	△0.2	Cost of commissioning stock administration to trust bank
Transfer of one's domicile's adjustment cost	0.4	-	△0.4	Amount of wage adjustment accompanying transfer of domicile
Other, net	0.4	0.7	0.2	Transfer agent commission, transfer of one's domicile's adjustment cost, etc.
Non-operating expense	2.1	1.9	△0.1	
Non-operating income and expenses Net	7.7	7.5	△0.2	

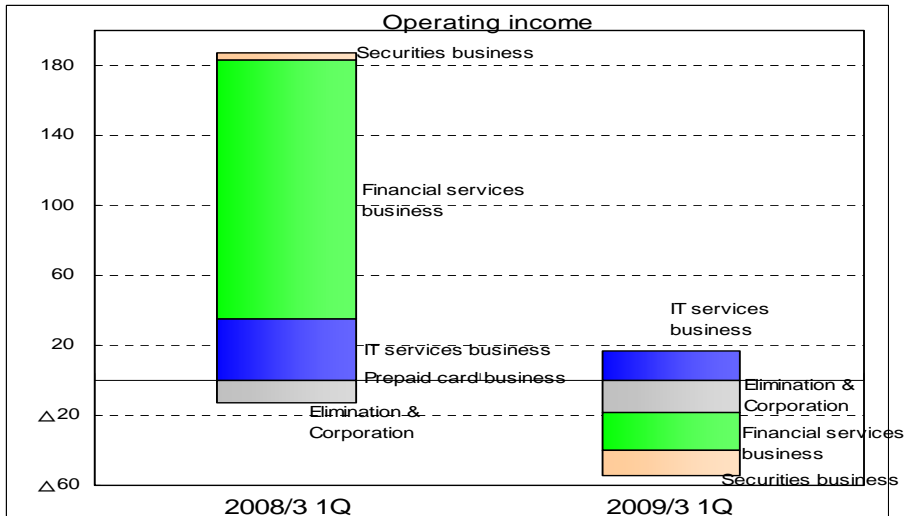
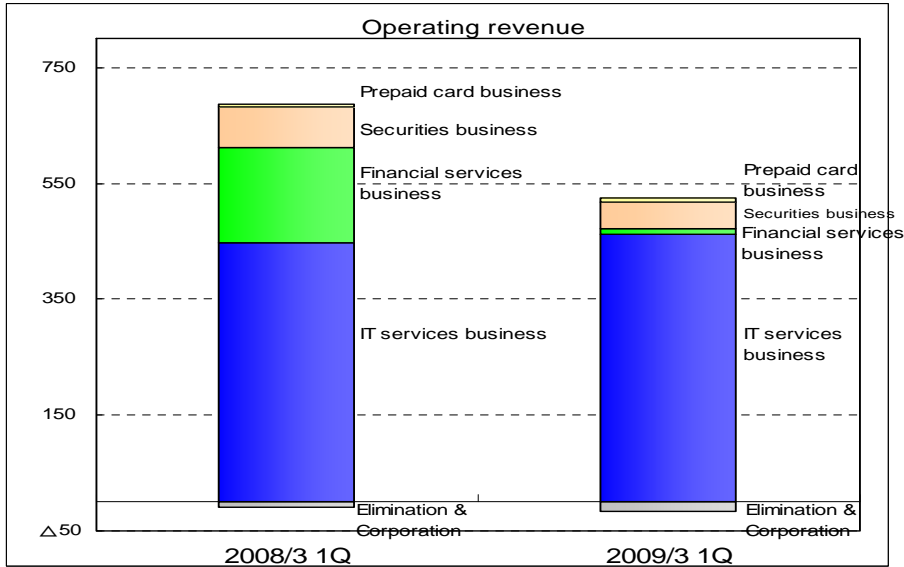
Extraordinary gains & losses

(100millions of yen)

Extraordinary gains	2008/3 1Q	2009/3 1Q	Variance	Comment
Gain from reversal of financial instruments trading liabilities	-	7.1	7.1	
Other, net	0.0	0.3	0.2	Gain from reversal of allowance for doubtful accounts, etc.
Extraordinary gains	0.0	7.4	7.3	
Extraordinary losses	2008/3 1Q	2009/3 1Q	Variance	Comment
Loss on sales of fixed assets	0.3	-	△0.3	2007/6:Sales of land
Loss on disposal of fixed assets	0.4	-	△0.4	2007/6:Disposal of the operating assets
Loss on impairment of fixed assets	1.8	9.2	7.4	Impairment loss on the operating assets
Provision for reserve for securities trading liabilities	0.6	-	△0.6	2007/6: Provision to reserve for securities trading liabilities and reserve for financial futures liabilities
Other, net	0.0	3.3	3.3	
Extraordinary losses	3.4	12.6	9.2	
Extraordinary gains and losses Net	△3.3	△5.1	△1.8	

Operating result by segments

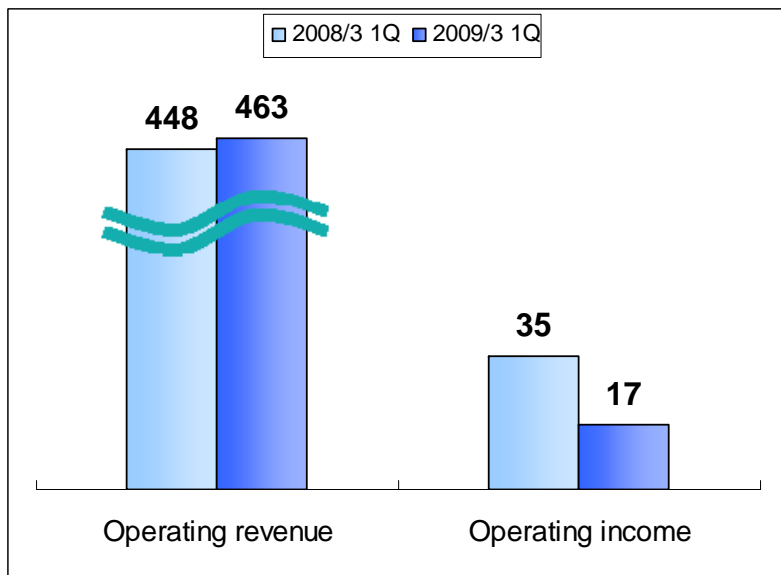
(100millions of yen)



	2008/3 1Q	2009/3 1Q	Variance	
IT services business				
Operating revenue	448	463	14	3.3%
Operating income	35	17	△18	△52.0%
Financial services business				
Operating revenue	164	8	△155	△94.7%
Operating income	148	△22	△171	△115.4%
Securities business				
Operating revenue	69	47	△21	△30.7%
Operating income	4	△14	△18	△385.2%
Prepaid card business				
Operating revenue	6	7	0	2.2%
Operating income	△0	0	0	-
Elimination & Corporation				
Operating revenue	△8	△15	△7	-
Operating income	△13	△18	△5	-
Total				
Operating revenue	680	511	△169	△24.9%
Operating income	175	△37	△213	△121.3%

IT services business (1)

(100millions of yen)



IT Services Business

Operating revenue : +3.3%

Operating income : Δ 52.0%

Operating income fell year on year, as a result of larger data center-related depreciation and greater sales buildup costs, in addition to investment for becoming a service provider.

		2008/3 1Q	2009/3 1Q	Variance	
CSK-SYS Grp ^{※1}	Operating revenue	268	275	6	2.6%
	Operating income	21	13	Δ 7	Δ 35.1%
JIEC	Operating revenue	33	33	Δ 0	Δ 1.9%
	Operating income	3	3	0	2.2%
Veriserve	Operating revenue	21	19	Δ 2	Δ 9.7%
	Operating income	3	1	Δ 2	Δ 65.4%
SWC、CCO-Grp total ^{※2}	Operating revenue	66	61	Δ 4	Δ 7.0%
	Operating income	5	1	Δ 4	Δ 70.9%
CSK-SS	Operating revenue	30	30	0	0.8%
	Operating income	4	2	Δ 2	Δ 49.1%
Others, Elimination ^{※3}	Operating revenue	28	43	15	53.7%
	Operating income	Δ 2	Δ 5	Δ 2	-
IT services business	Operating revenue	448	463	14	3.3%
	Operating income	35	17	Δ 18	Δ 52.0%
Operating margin		8.0%	3.7%	Δ 4.3%	

*1 Total figures due to the group reorganization

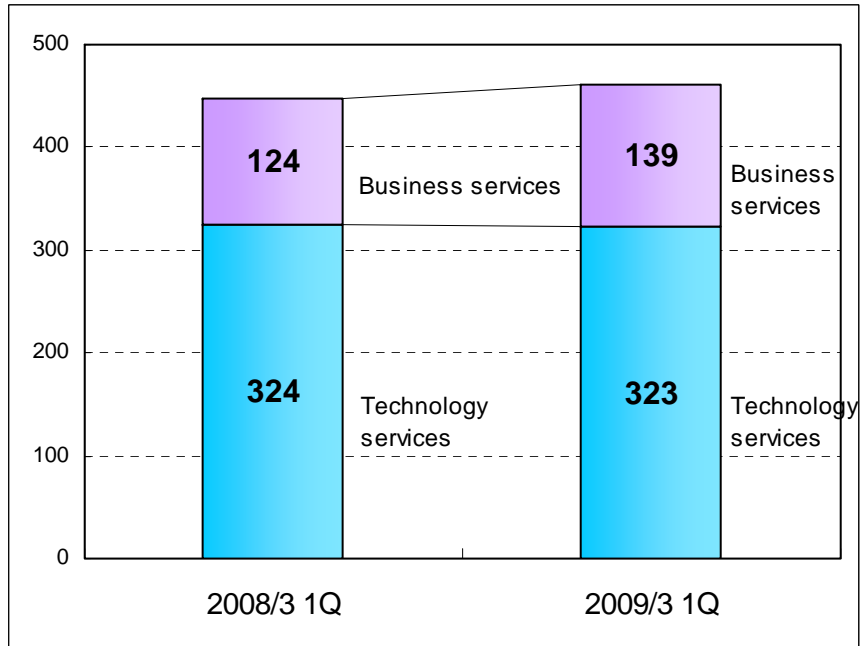
*2 Total figures of SWC and CCO due to the group reorganization

*3 Total of earnings at other companies and consolidated eliminations

IT services business (2)

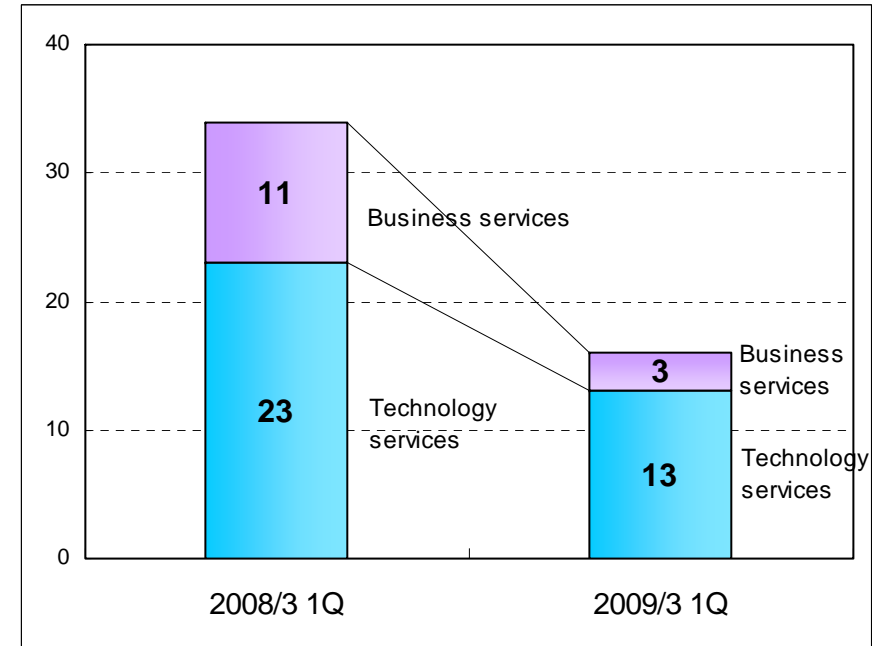
IT services business : Operating revenue

(100millions of yen)



IT services business : Operating income

(100millions of yen)



○ Technology services

Operating revenue: Operating revenue from finance and insurance system development expanded steadily. At the same time, development of embedded software led the expansion of operational revenue for these services.

Operating income: Operating income fell year on year, due to strategic business investment and increased depreciation that accompanied data center establishment.

○ Business services

Operating revenue : Operating revenue declined for contact center services and the product and security verification services. However, results stayed strong for the fulfillment services and the mobile businesses.

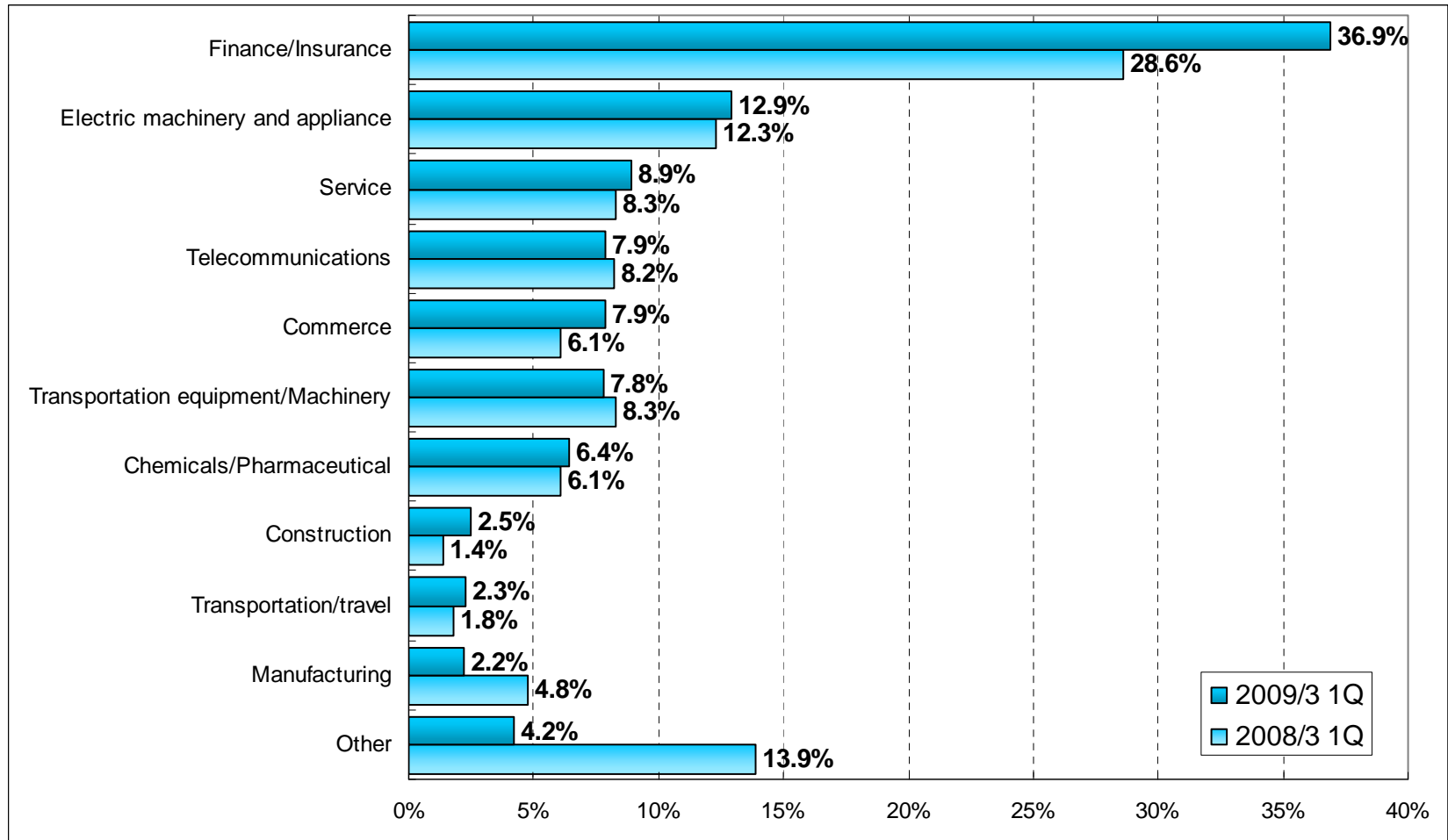
Operating Income: Operating income fell, the result of increased expenses for hiring more employees and bolstering sales capabilities, in addition to falling profits on technical support, attributable to the lengthening of product cycles and other factors.

IT services business (3)

Sales distribution by industry

<Technology services>

Systems integration and management, IT outsourcing and other technology-related services

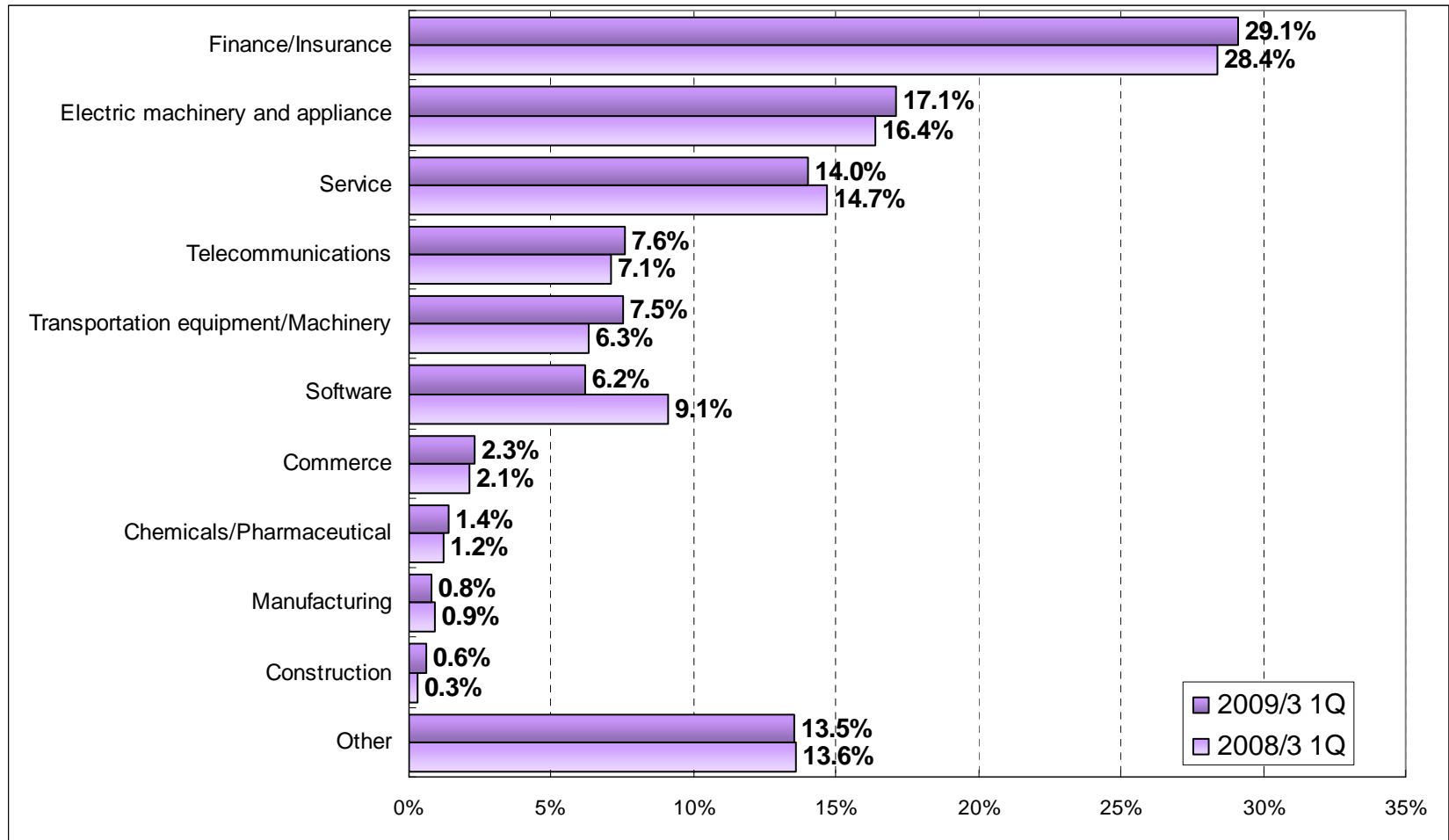


IT services business (4)

Sales distribution by industry

<Business services>

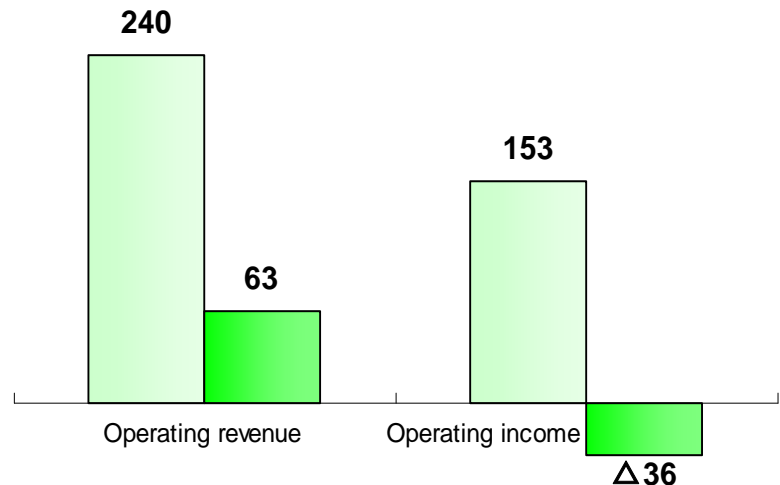
Contact center business including customer and technical support, and back-office and other BPO services



Financial services related business (1)

(100millions of yen)

□ 2008/3 1Q ■ 2009/3 1Q



		2008/3 1Q	2009/3 1Q	Variance	
Financial services business	Operating revenue	164	8	△ 155	△ 94.7%
	Operating income	148	△ 22	△ 171	△ 115.4%
Securities business	Operating revenue	69	47	△ 21	△ 30.7%
	Operating income	4	△ 14	△ 18	△ 385.2%
Prepaid card business	Operating revenue	6	7	0	2.2%
	Operating income	△ 0	0	0	-
Financial services related business	Operating revenue	240	63	△ 177	△ 73.6%
	Operating income	153	△ 36	△ 189	△ 123.6%

※ Financial services related business:
Financial services business, Securities business, Prepaid card business

<Financial Services-Related Business>

Operating revenue : △73.6%

Operating income : △123.6%

-Financial Services Business

Both operating revenue and operating income fell, owing to a concentration of the sale of properties occurred in 1Q of the year ended March 2008.

- Securities Business

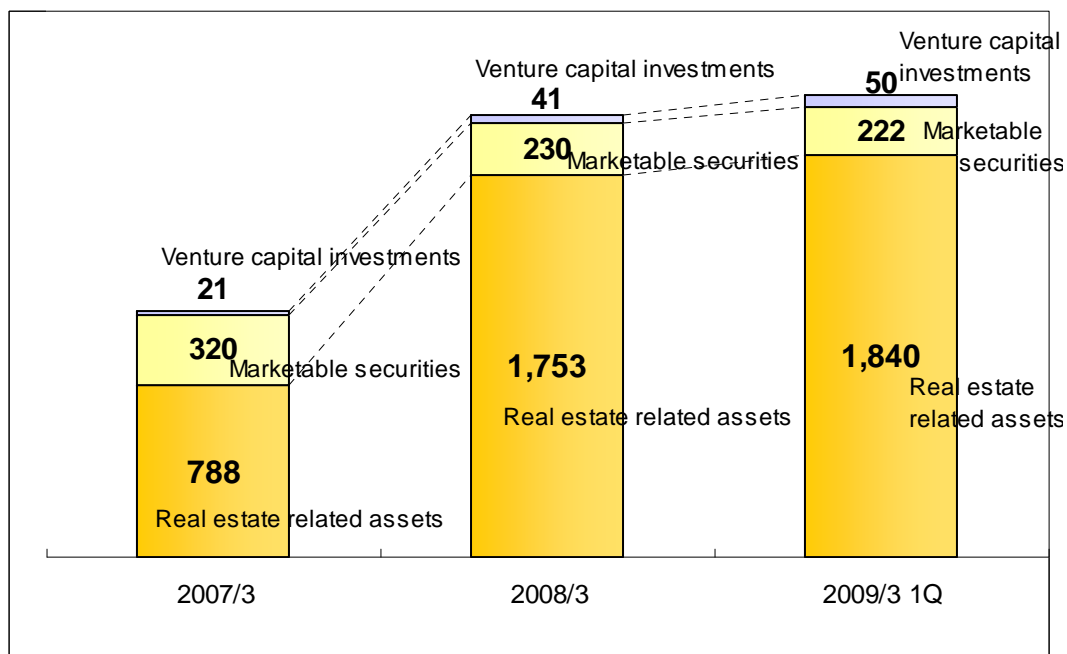
Both operating revenue and operating income declined, owing to factors such as smaller stock brokerage commissions and reduced trading profits attributable to flagging stock markets.

-Prepaid Card Business

Operating revenue increased with the effects of accounting policy changes, in addition to expanded demand for prepaid cards used as giveaways, including sales promotion tools and benefit for shareholders.

Financial services related business (2)

Investment balance



(100millions of yen)

	2007/3	2008/3	2009/3 1Q
Investments related to financial services (A)	1,108	1,984	2,062
Venture capital investments (B)	21	41	50
Total assets (C=A+B)	1,129	2,025	2,112
Liabilities related to financial services (D)	151	443	441
Net amount of assets and liabilities (E=C-D)	978	1,582	1,671
Operating revenue	250	203	8
Operating income	158	130	Δ22

Cash flows

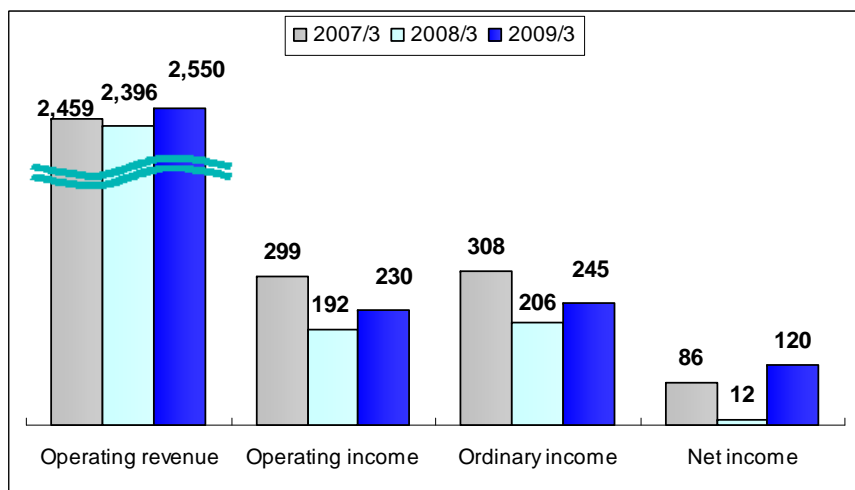


(100millions of yen)

	2008/3 1Q	2009/3 1Q	Variance	Comment
Operating cash flows	28	△180	△208	<ul style="list-style-type: none"> · Operating loss · Increase in investments related to financial services, etc.
Investing cash flows	△107	△18	89	2007/6 : Acquisition of office equipment and CSK Tama Center facility, etc.
Financial cash flows	△5	44	49	Increase in short-term borrowings, etc.
Total cash flows ※	△83	△153	△69	
Cash & cash equivalents, at end	971	439	△532	

※ : Including effect of exchange rate change.

Forecast for FY2009/3



(100millions of yen)

	2007/3	2008/3	2009/3 Forecast	Variance	
Operating revenue	2,459	2,396	2,550	153	6.4%
Operating income	299	192	230	37	19.4%
Operating income margin	12.2%	8.0%	9.0%	1.0%	-
Ordinary income	308	206	245	38	18.7%
Net income	86	12	120	107	843.3%

	2007/3	2008/3	2009/3 Forecast	Variance
Earnings per share	117.35	17.34	155.78	138.43