

Financial Report for the Six Months Period Ended September 30, 2008 (Consolidated)

CSK HOLDINGS CORPORATION <http://www.csk.com/>

Listings: The First Section of the Tokyo Stock Exchange, Code 9737

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(Figures are rounded down to the nearest million yen)

1. Business Results for the Six Months Period of Fiscal Year 2009 (From April 1, 2008 to September 30, 2008)

(1) Results of operations (Percentages indicate changes from the same period of the previous year)

	Operating revenue		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended Sept. 30, 2008	102,869	-	(15,668)	-	(14,621)	-	(15,517)	-
Six months ended Sept. 30, 2007	125,321	4.8	19,150	(0.5)	19,980	0.9	12,083	15.2

	Net income per share	Diluted net income per share
	yen	yen
Six months ended Sept. 30, 2008	(210.30)	-
Six months ended Sept. 30, 2007	163.89	144.60

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	million yen	million yen	%	yen
As of Sept. 30, 2008	536,171	173,324	31.3	2,095.58
As of Mar. 31, 2008	550,054	185,495	29.7	2,317.18

Reference) Shareholders' equity

The 2nd quarter of fiscal year 2009: 168,201 million yen Fiscal year 2008: 163,473 million yen

2. Dividends

	Dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Annual
	yen	yen	yen	yen	yen
Fiscal year 2008	-	20.00	-	20.00	40.00
Fiscal year 2009	-	0.00	-	-	-
Fiscal year 2009(forecast)	-	-	-	-	-

Note) Review of dividends prospect of Sept. 30, 2008: Yes

The company has left the year-end dividend projection undecided at this time.

3. Earnings Forecast for the Fiscal Year 2009 (From April 1, 2008 to March 31, 2009)

(Percentages indicate changes from the same period of the previous year)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full-year	217,000	(9.5)	(15,000)	(177.9)	(13,500)	(165.4)	(17,500)	-	(227.18)

Note) Review of Earnings Forecast as of Sept. 30, 2008: Yes

4. Other

- (1) Changes in the state of material subsidiaries during the period (Changes regarding specific companies accompanying changes in the scope of consolidation) : None
- (2) Adoption of simplified method or specific method to quarterly financial statement in accounting procedure : None
- (3) Change in accounting policies and others
 - ① Related to accounting standard revisions etc. : Yes
 - ② Other changes : Yes
- (4) Outstanding shares (Common shares)
 - ① Number of shares outstanding at the end of fiscal year (Including treasury stock)

Sept. 30, 2008	80,290,414 shares	Mar. 31, 2008	78,670,524 shares
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 - ② Number of treasury stock

Sept. 30, 2008	25,471 shares	Mar. 31, 2008	8,121,892 shares
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 - ③ Average number of shares outstanding during term

Sept. 30, 2008	73,787,620 shares	Sept. 30, 2007	73,732,219 shares
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※ Explanation of the appropriate use of performance forecasts and other related items

Since descriptions about future events, for instance, earnings forecast for March 2009 are estimation, results may differ from this estimation due to changes of several economic conditions.

Consolidated Balance Sheets

(Millions of yen)

	Fiscal year 2009 2nd quarter (As of Sept. 30, 2008)	Fiscal year 2008 (As of Mar. 31, 2008)
Assets		
Current assets		
Cash and time deposits	51,495	64,012
Notes and accounts receivable	26,290	31,025
Marketable securities	14,072	11,701
Venture capital investments	4,637	4,166
Inventories	6,913	4,888
Income taxes refundable	1,668	4,999
Investments related to financial services	198,308	198,427
Cash segregated as deposits related to securities business	31,157	32,891
Trading assets related to securities business	11,659	6,824
Receivables related to margin transactions	35,963	46,105
Other current assets	39,815	31,666
Allowance for losses on investment securities	(234)	(234)
Allowance for doubtful accounts	(93)	(92)
Total current assets	421,652	436,383
Fixed assets		
Tangible fixed assets	35,255	34,345
Intangible fixed assets		
Goodwill	7,940	779
Other	8,034	8,097
Total intangible fixed assets	15,975	8,877
Investments and other assets		
Investments in securities	42,006	49,327
Other	21,847	22,190
Allowance for doubtful accounts	(566)	(1,070)
Total investments and other assets	63,287	70,447
Total fixed assets	114,518	113,670
Total assets	536,171	550,054

(Millions of yen)

	Fiscal year 2009 2nd quarter (As of Sept. 30, 2008)	Fiscal year 2008 (As of Mar. 31, 2008)
Liabilities		
Current liabilities		
Accounts payable	9,060	11,584
Short-term bank loans payable	83,600	69,511
Accrued income taxes	1,694	3,112
Deposits received of prepaid cards	47,951	46,564
Accrued bonuses to employees	7,066	7,026
Allowance for anticipated losses on contracts	920	369
Liabilities related to financial services	31,759	44,370
Trading liabilities related to securities business	5,447	2,602
Payable related to margin transactions	17,510	19,323
Deposits received and guarantee deposits received from customers related to securities business	41,623	44,128
Other current liabilities	36,749	35,439
Total current liabilities	283,384	284,033
Long-term liabilities		
Corporate bonds payable	20,000	20,000
Convertible bonds payable	56,792	56,792
Long-term bank loans payable	77	84
Accrued employees' retirement benefits	313	341
Accrued directors' retirement benefits	113	158
Other long-term liabilities	1,297	1,565
Total long-term liabilities	78,593	78,940
Statutory reserve		
Reserve for financial products transaction liabilities	868	-
Reserve for securities trading liabilities	-	1,579
Reserve for financial futures trading liabilities	-	4
Total statutory reserve	868	1,584
Total liabilities	362,847	364,558
Net assets		
Shareholders' equity		
Common stock	73,225	73,225
Capital surplus	30,763	37,791
Retained earnings	65,700	83,007
Treasury stock, at cost	(61)	(31,614)
Total shareholders' equity	169,627	162,410
Valuation, translation adjustments and other		
Net unrealized gains(losses) on securities	(84)	1,696
Net unrealized losses on hedging derivatives	(6)	(7)
Foreign currency translation adjustments	(1,334)	(625)
Total valuation, translation adjustments and other	(1,426)	1,063
Minority interests	5,122	22,021
Total net assets	173,324	185,495
Total liabilities and net assets	536,171	550,054

Consolidated Statements of Income

(Millions of yen)

	For the six months ended Sept. 30, 2008
Operating revenue	102,869
Operating costs	84,240
Gross profit	18,629
Selling, general and administrative expenses	34,298
Operating income	(15,668)
Non-operating income	
Interest income	62
Dividend income	287
Hoard profit of prepaid card	468
Others	738
Total non-Operating expenses	1,557
Non-operating expenses	
Interest expenses	9
Provision for accrued employees' retirement benefits	130
Others	370
Total non-operating expenses	510
Ordinary income	(14,621)
Extraordinary gains	
Gain from transfer of business	499
Reversal of reserve for financial products transaction liabilities	715
Others	276
Total extraordinary gains	1,490
Extraordinary losses	
Loss on impairment of fixed assets	1,922
Loss on business restructuring	1,336
Others	1,180
Total extraordinary losses	4,440
Income before income taxes and minority interests	(17,571)
Income taxes : Current	1,469
Income taxes : Refund	(421)
Income taxes : Deferred	(3,024)
Total income taxes	(1,976)
Minority interests	(77)
Net income	(15,517)

Consolidated Statements of Cash Flows

(Millions of yen)

For the six months
ended Sept. 30, 2008

Cash flows from operating activities	
Income before income taxes and minority interests	(17,571)
Depreciation	3,282
Loss on impairment of fixed assets	2,079
Amortization of goodwill	550
Increase (decrease) in allowances and decrease (increase) in prepaid pension costs	552
Increase (decrease) in reserve for financial products transaction liabilities	(715)
Interest and dividend income	(1,219)
Interest expenses	842
Decrease (increase) in accounts receivable	4,734
Decrease (increase) in inventories	(2,024)
Increase (decrease) in accounts payable	(2,523)
Increase (decrease) in deposits received of prepaid cards	1,386
Decrease (increase) in venture capital investments	(617)
Decrease (increase) in investments related to financial services	(738)
Decrease (increase) in liabilities related to financial services	(12,611)
Decrease (increase) in cash segregated as deposits related to securities business	1,734
Decrease (increase) in trading assets related to securities business	(4,834)
Decrease (Increase) in receivables related to margin transaction	10,142
Decrease (Increase) in loan secured by securities	(2,806)
Increase (decrease) in trading liabilities related to securities business	2,845
Increase (decrease) in payables related to margin transactions	(1,813)
Increase (decrease) in deposits received and guarantee deposits received from customers related to securities business	(2,504)
Other, net	(5,131)
Subtotal	(26,962)
Interest and dividends income received	1,264
Interest expenses paid	(725)
Income taxes paid	1,185
Net cash provided by (used in) operating activities	(25,237)
Cash flows from investing activities	
Increase (decrease) in time deposit, net	488
Net proceeds from sales and purchases of marketable securities	1,870
Purchase of property and equipment	(3,034)
Purchases of intangible assets	(3,706)
Purchases of investments in securities	(6,925)

Proceeds from sales of investments in securities	5,718
Other, net	73
Net cash provided by (used in) investing activities	(5,515)
Cash flows from financing activities	
Increase (decrease) in short-term bank loans and commercial paper, net	19,030
Cash dividends paid	(1,409)
Other, net	243
Net cash provided by (used in) financing activities	17,864
Effect of exchange rate changes on cash and cash equivalents	(24)
Net increase (decrease) in cash and cash equivalents	(12,912)
Cash and cash equivalents, at beginning	59,200
Cash and cash equivalents, at end	46,288

Segment Information (Consolidated)

1. Information by business segment

(Millions of yen)

	For the six months period ended Sept. 30, 2008						
	IT services business	Financial services business	Securities business	Prepaid card business	Total	Elimination and corporate	Consolidated Total
Operating revenue:							
Outside customers	92,155	1,273	8,141	1,300	102,869	—	102,869
Inter-segment sales/transfers	3,361	1	4	76	3,443	(3,443)	—
Total	95,517	1,274	8,145	1,376	106,313	(3,443)	102,869
Costs and expenses	91,368	13,380	12,363	1,249	118,361	176	118,538
Operating income(loss)	4,148	(12,105)	(4,217)	126	(12,047)	(3,620)	(15,668)

Notes: 1. The Group operates principally in four segments: IT services business, Financial services business, Securities business, Prepaid card business.

Segment	Major products and services
IT services business:	Software development, systems integration, facilities management, business process outsourcing and other related services Computer and other product sales, engineering of intelligent buildings, intelligent buildings lease
Financial services business:	Investment in venture companies, investment in anonymous associations, real estate, equity securities and others, management of investment trust
Securities business:	Securities business and other related services
Prepaid card business:	Issuance and settlement of prepaid cards, development and sales of card systems

2. Among costs and expenses, unallocated operating expenses in "Elimination and corporate" for the six months ended Sept. 30, 2008 was the expenses of ¥6,997 million. The cost was management expenses for group companies incurred at CSK HOLDINGS CORPORATION.

(Change in accounting policies)

CSK HOLDINGS CORPORATION has changed the measurement of Inventories since this period. As a result, compared to the previous method, Operating income decreased by ¥2 million in IT services business, ¥2,459 million in Financial services, ¥0 million in Prepaid card business respectively.

The company has changed the accounting policy in Prepaid card business since this period. As a result, compared to the previous method, Operating revenue and Operating income in the prepaid card business increased by ¥187 million.

2. Segment Information for geographic locations

Segment information for geographic locations is omitted for the six months period ended Sept. 30, 2008, because total sales for "Japan" segment exceeded 90% of total sales in the period

3. Overseas Sales

Information regarding overseas sales was omitted for the six months period ended Sept. 30, 2008, because total overseas sales were less than 10% of consolidated total sales in the period.