

Message from the CEO



# Our New Business Model: To Provide Recurring Services That Fuse IT With Our Broad-Ranging Business Expertise

The operating and management environments facing companies today are changing at a dizzying pace, and gaining in both speed and complexity. Meanwhile, customers' needs for IT services are expanding to domains directly connected to the creation of new business models and other management issues.

In order to respond to these changes, CSK Group pressed forward with a swift transition from a conventional business model to a service provider business model, which brings together highly-specialized business services based on an IT platform. The Group also worked to diversify its sources of revenues and strengthen the revenue base, including by developing the financial services related business into a new core pillar of our business.

When we reorganized the Group last year, we established a system for the comprehensive provision of specialized services from individual Group companies, laying the foundations for advancing the service provider business model. We have completed our structural reform, and CSK Group is now ready to enter into a new stage of growth and rapid advancement.

With regard to our consolidated results for the fiscal year ended March 2008, the IT services business grew steadily on the back of robust IT investments by financial institutions. At the same time, however, we witnessed a decline in the performance of the securities business and the real estate securitization business due to the negative impact of the U.S. subprime loan problem on markets, among other factors. CSK Group is now

taking steps to deal with the issues in order to make rapid improvements in revenues and profits.

As part of these measures, in August 2008 we converted Cosmo Securities Co., Ltd. into a wholly owned Group subsidiary. CSK Group engages not just in the securities business, but in a whole range of securities-related businesses. In order to strengthen collaborations within the Group, we have brought these businesses together under the umbrella of "securities-related business." We will advance the development of the securities-related business as the Group's third core pillar, in addition to the IT services business and the financial services business.

Since its founding, CSK Group has responded flexibly to changes in the market and in customers' needs. We not only adapt our existing services to meet the times, but also actively work to create new ones that fill unmet needs. As a service provider seeking to create new services that society will come to see as essential, we aim to continue to live up to the expectations of all our shareholders in the future.

We look forward to your continued interest and support.

September 2008

福山義人

Yoshito Fukuyama  
President and Chief Executive Officer