



CSK announces revisions to consolidated forecasts; loss on write-down of inventory, impairment loss on fixed assets and goodwill, and reversal of deferred tax assets at consolidated level; extraordinary loss at non-consolidated level

Tokyo, May 1, 2009 — CSK HOLDINGS CORPORATION (“CSK”) today announced revisions to its consolidated full-year forecasts of February 13, 2009 for the fiscal year ended March 31, 2009.

CSK also announced the following events:

1. The occurrence of a loss on write-down of inventory as of March 31, 2009 at a consolidated subsidiary
2. An impairment loss on fixed assets at a consolidated subsidiary and an impairment loss on goodwill at the same subsidiary
3. A reversal of deferred tax assets
4. The occurrence of an extraordinary loss at the non-consolidated level.

1. Revised consolidated forecasts, write-down of inventory, impairment loss on fixed assets and goodwill, and reversal of deferred tax assets.

(1) Revisions to consolidated full-year forecasts (April 1, 2008 to March 31, 2009)

(Million yen)

	Sales	Operating income (loss)	Ordinary income (loss)	Net income (loss)	Net income (loss) per share (¥)
Previously announced forecast (A) (announced February 13, 2009)	205,000	(102,000)	(101,000)	(104,000)	(1,350.07)
Revised forecast (B)	206,000	(123,500)	(122,500)	(161,000)	(2,090.01)
Difference (B-A)	1,000	(21,500)	(21,500)	(57,000)	(739.94)
Change in %	0.5%	(21.1%)	(21.3%)	(54.8%)	(54.8%)
For reference: Previous full-year results (Apr. 1, 2007 to Mar. 31, 2008)	239,695	19,256	20,634	1,272	17.34

(2) Reasons for revised consolidated forecasts, inventory write-down, impairment loss on fixed assets and goodwill, and reversal of deferred tax assets.

1. In the financial services business, global turmoil in the financial industry and the impact of the associated credit contraction is becoming entrenched. In the third-quarter we posted a large appraisal loss on our asset holdings in the real estate securitization business. In consideration of developments in the situation that have continued through to the end of the fiscal year, we have recorded a write-down of ¥15.81 billion on inventory in our real

estate asset securitization business (for a total of ¥81.05 billion for the fiscal year), and in addition have recorded a loss on sale of ¥0.98 billion (for a total of ¥5.55 billion for the fiscal year) along with a loss of ¥6.31 billion on write-down of marketable securities (for a total of ¥12.0 billion for the fiscal year). The impact of these and other such items is forecast to reduce operating income by approximately ¥21.5 billion

2. In the securities business, we have taken a conservative approach to appraising the value of fixed assets and accordingly have recorded an impairment loss of ¥3.56 billion as an extraordinary loss. We also expect an extraordinary loss of ¥6.55 billion to arise from the application of an impairment of goodwill following consideration of the likelihood of recovering the value in the business on a consolidated basis. These actions reflect factors such as a delay in recovery of earnings due to the prolonged slump in the stock market, and have become necessary despite the ongoing implementation of substantial cost-cutting measures.
3. In relation to deferred tax assets, such assets have been recorded in accordance with accounting standards for tax effect accounting. However, following careful consideration of the potential for recovery of deferred tax assets in light of our results forecast for the period and the deterioration in the economy amid global financial turmoil, we have reversed these deferred tax assets and expect to record a tax adjustment amount of approximately ¥15.0 billion.

(3) Consolidated forecast revision amounts, etc.

- Sales
No significant change has been made.
- Operating income (including losses on write-down of inventory)
The revised forecast, revised downward by approximately ¥21.5 billion, is for an operating loss of ¥123.5 billion, mainly due to the impact of performance in the financial services business.
- Ordinary income
The revised forecast for an ordinary loss of ¥122.5 billion comes as a result of the downward revisions to operating income.
- Net income
The revised forecast for a net loss of approximately ¥161.0 billion comes as a result of the downward revision to ordinary income, together with an impairment of fixed assets mainly in the securities business of ¥3.56 billion, an impairment of goodwill of ¥6.55 billion, a reversal of deferred tax assets from the end of the previous period of approximately ¥15.0 billion, and an impact of approximately ¥8.0 billion from tax effect accounting for the

period.

2. Non-consolidated extraordinary losses

In the securities business undertaken by a consolidated subsidiary, impairment of fixed assets has resulted in the net assets of the subsidiary at the end of the period falling to less than 50% of the value of the parent company's stake at the time of acquisition. We have therefore recorded an extraordinary loss of ¥31.26 billion for impairment of shares held in subsidiaries.

In the financial services business undertaken by a consolidated subsidiary, loss on write-down of inventory resulted in an increase in the negative net worth of that company, for which we have recorded an allowance for doubtful accounts of ¥20.52 billion. In the IT services business undertaken by a consolidated subsidiary, negative net worth increased as a result of factors such as the reversal of deferred tax assets, for which we have recorded an allowance for doubtful accounts of ¥8.10 billion.

Note: On February 13, 2009 CSK issued a press release titled *CSK announces measures to strengthen management practices and improve profitability*. An update on the specific measures being implemented, along with the financial impact of such measures, will be outlined at the financial results presentation for the year ended March 31, 2009, scheduled for May 15, 2009.

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