



(Translated from the Japanese original)

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Consolidated Subsidiaries' Business Results for Fiscal 2008, Forecasts for Fiscal 2009, and Basic Business Direction of the Group

1. Consolidated Subsidiaries' Business Results for Fiscal 2008, ended March 31, 2008

On April 1, 2008, IT Holdings (“the Company”) was established as a joint holding company through stock transfer, with TIS Inc., (“TIS”) and INTEC Holdings Ltd., (“INTEC Holdings”) as wholly owned subsidiaries. Each company’s business results for fiscal 2008, ended March 31, 2008, are presented below.

(1) TIS

Fiscal 2008 results for the TIS Group reflect the impact of a significant delay for TIS in the operational start of systems for certain large-scale projects still in progress and the additional costs that Company incurred on those projects and chose to address fully in its fiscal 2008 settlement. The startup delay arose because ordering clients, seeking to ensure a smooth operational start to their respective systems, assumed a more cautious approach that called for more pre-startup tests than originally agreed upon. This set back the launch of the systems and inflated costs.

These additional costs had a major impact on consolidated net sales, which fell 5.8%, to ¥199,261 million. However, good sales on TIS’ other system development projects and solid performances from principal subsidiaries prevented a steeper year-on-year decline. In addition, the TIS Group rebounded from an operating loss of just under ¥1 million in fiscal 2007 to operating income of ¥10,432 million. Recurring profit skyrocketed more than nine times, to ¥11,170 million, and net income settled at ¥4,153 million, returning to a positive position from an ¥818 million net loss a year earlier.

For more details on the TIS Group’s consolidated performance, please refer to the financial statements for fiscal 2008 disclosed today.

(2) INTEC Holdings

Fiscal 2008 results for the INTEC Holdings Group were mixed. Demand for software and system integration services was generally favorable, fueled by private-sector investment in information technology, especially among members of the finance, manufacturing, distribution and service industries, which supported the group's mainstay information and communications business. But liquidation of the leasing business squeezed the bottom line. Consequently, consolidated net sales grew 6.6%, to ¥123,151 million. Operating income slipped 0.5%, to ¥9,541 million, but recurring profit increased 4.6%, to ¥8,777 million. Net income settled at ¥4,520 million, down 8.9%.

For more details on the consolidated performance of the INTEC Holdings Group, please refer to the financial statements for fiscal 2008 disclosed today.

2. Basic Policy on Profit Distribution and Dividends for Fiscal 2008 and Fiscal 2009

The Company's basic policy on profit distribution emphasizes its ability to ensure stable, long-term dividends as a business worthy of long-term investment while securing internal reserves vital for maintaining a sound financial position and continued growth.

For fiscal 2008, TIS plans to pay a year-end dividend of ¥17 per share and INTEC Holdings a year-end dividend of ¥9 per share to shareholders whose names are entered or electronically recorded in respective shareholders' registers as of March 31, 2008.

The Company's Articles of Incorporation contain a clause allowing allocation of surplus funds to interim dividends, as provided in Article 454, Paragraph 5 of the Corporation Law. However, the Company intends to pay an annual dividend of ¥27 per share at year-end for fiscal 2009 to shareholders of record on March 31, 2009.

From fiscal 2010, the Company is prepared to pay dividends twice a year, at record dates of September 30 and March 31, as was the practice before management integration.

Date of Record	Dividends per Share (Forecast)		
	At September 30	At March 31	Annual
Fiscal 2009	—	27.00	27.00

3. Fiscal 2009 Performance Forecasts

The quarterly *tankan*—a short-term economic survey of enterprises—released by the Bank of Japan, showed a decrease in the diffusion index—a key barometer of business sentiment—and a shift from the vigorous IT investment trend of the past few years to a more cautious approach.

The Company sees fiscal 2009—the first year of operation following management integration—as a period of preparation for the new medium-term management plan scheduled to start in April 2009 and will strive to maximize the opportunity afforded by management integration to reinforce the accumulated high-technology capabilities of TIS and INTEC Holdings and raise the value-added-qualities of respective solution services still higher.

Specifically, to boost sales and profits, the Company will seek to formulate and implement a fine-tuned business direction and consolidate the operation of data centers. To elicit ongoing improvements in quality and efficiency, the Company will prioritize measures to promote shared back office operations, amalgamate peripheral and redundant businesses, lay the industry's best production platform, and consolidate information systems.

These efforts should lead to the following fiscal rewards.

(1) Fiscal 2009 Consolidated Performance Forecast

(Millions of yen, except for net income per share)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net Income per Share (yen)
First and second quarter total	160,000	8,000	8,300	3,900	45.15
Full-year	340,000	22,000	22,000	11,000	127.36

(2) Fiscal 2009 Nonconsolidated Performance Forecast

(Millions of yen, except for net income per share)

	Net Sales	Operating Income	Recurring Profit	Net Income	Net Income per Share (yen)
Full-year	4,200	2,500	2,400	2,400	27.79

4. Basic Business Direction

The Company has established the following management philosophy. It permeates all activities that underpin decisions on the business pursuits undertaken by the IT Holdings Group. With the concepts of this philosophy in mind, the Group will strive with determination toward goals, supported by the inherent excellence in quality and technological capabilities of each founding company to make the most of newfound corporate value.

Management Philosophy

The IT Holdings Group seeks to be a corporate citizen whose activities, namely, the provision of services utilizing IT, match its status as a leading corporate group, and will strive to raise corporate value, supported in this effort by the high regard of all its stakeholders, including clients and shareholders as well as employees and their families.

We will cultivate a vibrant corporate culture that encourages companies and individuals under the Group umbrella to work toward higher goals and embrace new challenges, and thereby ensure corporate growth.

We will always provide our very best to clients by combining Group strengths to foster higher quality and greater sophistication in our technological capabilities.

We will uphold high corporate morals and fulfill our social obligations.

Cautionary note regarding forward-looking statements

Performance estimates and other forward-looking statements in this news release are based on information available as of May 15, 2008 and certain reasonable assumptions. Actual figures may differ from estimates, due to various factors.