

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

Quarterly Report Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

For the quarterly period ended March 31, 2009

or

Transition Report Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 000-499-68

**COMDISCO HOLDING COMPANY, INC.**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

54-2066534  
(I.R.S. Employer Identification No.)

5600 North River Road  
Suite 800  
Rosemont, Illinois 60018  
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (847) 698-3000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  
Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  
Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer" and smaller reporting company in rule 12b-2 of the Exchange Act (check one):

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  
Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 4,029,055 shares of the registrant's Common Stock, \$0.01 par value per share, were outstanding on April 30, 2009.

**COMDISCO HOLDING COMPANY, INC.**  
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## **PART I. FINANCIAL INFORMATION**

### **Forward-Looking Statements**

This quarterly report on Form 10-Q contains, and our periodic filings with the Securities and Exchange Commission (the "SEC") and written and oral statements made by the Company's sole officer and director or any authorized representative, to press, potential investors, securities analysts and others, will contain, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), and the Company intends that such forward-looking statements be subject to the safe harbors created thereby. These forward-looking statements are not historical facts, but rather are predictions and generally can be identified by use of statements that include phrases such as "believe," "expect," "anticipate," "estimate," "intend," "plan," "foresee," "looking ahead," "is confident," "should be," "will," "predicted," "likely" or other words or phrases of similar import. Similarly, statements that describe or contain information related to matters such as our intent, belief, or expectation with respect to financial performance, claims resolution under the Plan (as defined below), cash availability and cost-cutting measures are forward-looking statements. These forward-looking statements often reflect a number of assumptions and involve known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from those currently anticipated in these forward-looking statements. In light of these risks and uncertainties, the forward-looking events might or might not occur, which may affect the accuracy of forward-looking statements and cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements.

Important factors that could cause actual results to differ materially from those suggested by these written or oral forward-looking statements, and could adversely affect our future financial performance, include the risk factors discussed below in Item 1A in Part II Other Information. Many of the risk factors that could affect the results of the Company's operations are beyond our ability to control or predict.

### **ITEM 1. FINANCIAL STATEMENTS**

THE COMPANY EMERGED FROM CHAPTER 11 BANKRUPTCY PROCEEDINGS ON AUGUST 12, 2002. THE PURPOSE OF THE COMPANY IS TO SELL, COLLECT OR OTHERWISE REDUCE TO MONEY IN AN ORDERLY MANNER THE REMAINING ASSETS OF THE CORPORATION. PURSUANT TO THE COMPANY'S FIRST AMENDED JOINT PLAN OF REORGANIZATION (THE "PLAN") AND RESTRICTIONS CONTAINED IN THE COMPANY'S CERTIFICATE OF INCORPORATION, THE COMPANY IS SPECIFICALLY PROHIBITED FROM ENGAGING IN ANY BUSINESS ACTIVITIES INCONSISTENT WITH ITS LIMITED BUSINESS PURPOSE. ACCORDINGLY, WITHIN THE NEXT FEW YEARS, IT IS ANTICIPATED THAT THE COMPANY WILL HAVE REDUCED ALL OF ITS ASSETS TO CASH AND MADE DISTRIBUTIONS OF ALL AVAILABLE CASH TO HOLDERS OF ITS COMMON STOCK AND CONTINGENT DISTRIBUTION RIGHTS IN THE MANNER AND PRIORITIES SET FORTH IN THE PLAN. AT THAT POINT, THE COMPANY WILL CEASE OPERATIONS AND NO FURTHER DISTRIBUTIONS WILL BE MADE. THE COMPANY FILED ON AUGUST 12, 2004 A CERTIFICATE OF DISSOLUTION WITH THE SECRETARY OF STATE OF THE STATE OF DELAWARE TO FORMALLY EXTINGUISH COMDISCO HOLDING COMPANY, INC.'S CORPORATE EXISTENCE WITH THE STATE OF DELAWARE EXCEPT FOR THE PURPOSE OF COMPLETING THE WIND-DOWN CONTEMPLATED BY THE PLAN.

**Comdisco Holding Company, Inc.**  
**Consolidated Statements of Operations – Three and six months ended March 31, 2009 and 2008 (Unaudited)**  
(in thousands except per share data)

	Three months ended March 31,		Six months ended March 31,	
	2009	2008	2009	2008
<b>Revenue</b>				
Gain on sale of equity and warrant securities .....	\$ 126	\$ 1,803	\$ 218	\$ 7,457
Interest income .....	156	548	437	1,401
Miscellaneous income .....	--	5	8	50
<b>Total revenue</b> .....	<b>282</b>	<b>2,356</b>	<b>663</b>	<b>8,908</b>
<b>Costs and expenses</b>				
Selling, general and administrative .....	1,095	1,423	2,436	2,904
Write-down of equity securities .....	20	1,325	20	1,325
Contingent distribution rights .....	(1,320)	(445)	(1,711)	997
Bad debt recoveries .....	(176)	(144)	(2,118)	(329)
Minority interest .....	542	--	542	--
Foreign exchange loss .....	113	90	746	67
<b>Total costs and expenses</b> .....	<b>274</b>	<b>2,249</b>	<b>(85)</b>	<b>4,964</b>
Earnings before income taxes .....	8	107	748	3,944
Income tax expense(benefit) .....	(29)	(1,080)	783	909
<b>Net earnings (loss)</b> .....	<b>\$ 37</b>	<b>\$ 1,187</b>	<b>\$ (35)</b>	<b>\$ 3,035</b>
<b>Basic and diluted earnings (loss) per common share</b> .....	<b>\$ 0.01</b>	<b>\$ 0.29</b>	<b>\$ (0.01)</b>	<b>\$ 0.75</b>

See accompanying notes to consolidated financial statements.

**Comdisco Holding Company, Inc.****Consolidated Balance Sheets – March 31, 2009 (Unaudited) and September 30, 2008 (Audited)**

(in thousands except share data)

	March 31, 2009	September 30, 2008
<b>ASSETS</b>		
Cash and cash equivalents.....	\$ 62,831	\$ 57,554
Cash – legally restricted.....	4,929	4,982
Equity investments.....	1,205	1,211
Income tax receivables.....	3,735	11,667
Other assets.....	108	50
Total assets.....	<u>\$ 72,808</u>	<u>\$ 75,464</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable.....	\$ 395	\$ 380
Income tax payables.....	8,606	10,139
Other liabilities		
Accrued compensation.....	1,184	1,237
Contingent distribution rights.....	20,758	22,469
Other liabilities.....	834	187
Total other liabilities.....	<u>22,776</u>	<u>23,893</u>
Total liabilities.....	<u>31,777</u>	<u>34,412</u>
<b>Stockholders' equity</b>		
Common stock \$.01 par value. Authorized 10,000,000 shares; issued 4,200,000 shares; 4,029,055 shares outstanding at March 31, 2009 and September 30, 2008.....	72	72
Additional paid-in capital.....	43,775	43,775
Accumulated other comprehensive income.....	69	55
Retained earnings.....	1,436	1,471
Common stock held in treasury, at cost; 170,945 shares at March 31, 2009 and September 30, 2008.....	<u>(4,321)</u>	<u>(4,321)</u>
Total stockholders' equity.....	<u>41,031</u>	<u>41,052</u>
	<u>\$ 72,808</u>	<u>\$ 75,464</u>

See accompanying notes to consolidated financial statements.

**Comdisco Holding Company, Inc.****Consolidated Statements of Cash Flows – Six months ended March 31, 2009 and 2008 (Unaudited)**

(in thousands)

	Six months ended March 31,	
	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Equity and warrant proceeds, net of fees.....	\$ 129	\$ 6,695
Interest, recoveries and other revenue.....	2,485	1,551
Selling, general and administrative expenses.....	(2,174)	(3,039)
Income tax receipts.....	5,456	655
Transfer of cash to minority interest balance.....	(35)	--
	<u>5,861</u>	<u>5,862</u>
Net cash provided by operating activities.....		
Effect of exchange rates on cash and cash equivalents.....	(584)	--
	<u>5,277</u>	<u>5,862</u>
Net increase in cash and cash equivalents.....		
Cash and cash equivalents at beginning of period.....	57,554	48,169
	<u>62,831</u>	<u>54,031</u>
Cash and cash equivalents at end of period.....	\$	\$

See accompanying notes to consolidated financial statements.

**Comdisco Holding Company, Inc.**  
**Consolidated Statements of Cash Flows (Unaudited) - Continued**  
(in thousands)

	Six months ended	
	March 31,	
	<u>2009</u>	<u>2008</u>
Reconciliation of net earnings (loss) to net cash provided by operating activities:		
Net earnings (loss).....	\$ (35)	\$ 3,035
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Income taxes .....	6,239	1,368
Contingent distribution rights.....	(1,711)	997
Receivables .....	(75)	(762)
Selling, general and administrative.....	262	(135)
Minority interest expense, net of cash transfer.....	507	--
Write-down of equity securities.....	20	1,325
Other, including foreign exchange.....	654	34
Net cash provided by operating activities.....	<u>\$ 5,861</u>	<u>\$ 5,862</u>

See accompanying notes to consolidated financial statements.

**COMDISCO HOLDING COMPANY, INC.**  
**Notes to Consolidated Financial Statements (Unaudited)**  
**March 31, 2009**

The following discussion and analysis should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Item 2 in Part I and in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2008, and with the Consolidated Financial Statements and related notes in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2008.

**1. Reorganization**

On July 16, 2001, Comdisco, Inc. and 50 of its domestic subsidiaries filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the "Bankruptcy court") (consolidated case number 01-24795). Comdisco Holding Company, Inc., as the successor company to Comdisco, Inc., emerged from bankruptcy under a confirmed plan of reorganization (the First Amended Joint Plan of Reorganization (the "Plan")) that became effective on August 12, 2002 (the "Effective Date"). For financial reporting purposes only, however, the effective date for implementation of fresh-start reporting was July 31, 2002.

Comdisco Holding Company, Inc. was formed on August 8, 2002 for the purpose of selling, collecting or otherwise reducing to money in an orderly manner the remaining assets of the Company and all of its direct and indirect subsidiaries, including Comdisco, Inc. The Company's business purpose is limited to the orderly sale or collection of all its remaining assets. Pursuant to the Plan and restrictions contained in its certificate of incorporation, the Company is specifically prohibited from engaging in any business activities inconsistent with its limited business purpose.

SIP Bankruptcy Claims: In February 1998, pursuant to the Shared Investment Plan ("SIP"), the SIP Participants took out full recourse, personal loans to purchase approximately six million shares of Comdisco, Inc.'s common stock. In connection therewith, Comdisco, Inc. executed a guaranty dated February 2, 1998 (the "Guaranty") providing a guaranty of the loans in the event of default by the SIP Participants to the lenders under the SIP (the "SIP Lenders"). On November 29, 2001, the SIP Lenders filed a master proof of claim in the Comdisco, Inc. bankruptcy in the amount of \$133 million ("SIP Guaranty Claim"). The Company and the SIP Lenders subsequently reached a settlement that was approved by the Bankruptcy court on December 9, 2004. Proofs of Claim were filed by forty-eight of the SIP Participants in the bankruptcy estate of Comdisco, Inc. The Company objected to such Proofs of Claim. The Company was responsible for its legal fees and expenses related to these matters. Based on an order entered on May 16, 2007 by the Bankruptcy court subordinating the claims of the SIP Participants, any resolution would have been handled through the disputed interests reserve which was a specific pool of CDR's allocated for any Allowed Claims in the C-5B Class. On September 20, 2007, the attorneys representing forty-three of the SIP Claimants (the "Certain SIP Claimants") filed a motion to withdraw their respective SIP Claims in the bankruptcy without prejudice. After negotiations among the parties, on November 8, 2007, the Bankruptcy court entered an order that allowed for the withdrawal of their SIP Claims without prejudice subject to specific conditions. Such conditions include a bar to refiling, amending or reinstating the SIP Claims, or any other claims related to the SIP and execution of a covenant not to sue. All SIP Participants (or their respective bankruptcy trustees) who filed Proofs of Claims have withdrawn such claims and/or the claims have been dismissed by the Bankruptcy court.

Litigation Trust: The Plan provided that, under certain circumstances, subrogation rights that the Company may have against the SIP Participants who participated in the SIP and their respective promissory notes be placed in a trust for the benefit of the C-4 creditors (the "Trust Assets"). Under the Plan, the Litigation Trust is solely responsible for collection of amounts due on the promissory notes of the SIP Participants who did not take advantage of the SIP Relief (as defined in the Plan). The Litigation Trust has commenced both state and federal lawsuits to collect on such SIP Participants' promissory notes. Five of the sixty-seven SIP Participants have filed personal bankruptcy. Also, two SIP Participants who previously settled with the Company were transferred to the Litigation Trust because of their inability to fulfill the terms of their respective settlement agreement and the litigation trustee has commenced lawsuits against them. As of December 31, 2008, both of these SIP Participants settled with the litigation trust. On September 24, 2008, a federal district court judge entered summary judgments

against twenty-seven of the SIP Participants on their respective SIP Note obligations and the Litigation Trust is commencing collection actions against them. As of the date of this filing, the SIP Participants have filed appeals on those judgments. As of the date of this filing, a federal district court judge entered orders in cases against twenty-three SIP Participants ordering that certain CDRs and related proceeds held by the Company and BNY Mellon (holder of CDRs) on behalf of these SIP Participants be turned over to the Litigation Trust. As of March 31, 2009, four of the twenty-seven SIP participants have settled their respective judgments with the Litigation Trust which is also in ongoing settlement discussions with some of the state and other federal SIP participants. Additionally, the Litigation Trust has filed summary judgments against all of the SIP participants who are defendants in the pending state court action. Please refer to the quarterly reports filed by the Litigation Trust in the bankruptcy court for more details. Any proceeds collected by the Litigation Trust, net of expenses, will be considered Trust Assets and distributed in accordance with the Plan and litigation trust agreement. The Company has a limited indemnification obligation to the litigation trustee under the litigation trust agreement.

## **2. Basis of Presentation**

In this quarterly report on Form 10-Q, references to "the Company," "Comdisco Holding," "we," "us" and "our" mean Comdisco Holding Company, Inc., its consolidated subsidiaries, including Comdisco, Inc., Comdisco Ventures Fund A, LLC (formerly Comdisco Ventures, Inc.), and its predecessors, except in each case where the context indicates otherwise. References to "Comdisco, Inc." mean Comdisco, Inc. and its subsidiaries, other than the Prism entities, prior to the Company's emergence from bankruptcy on August 12, 2002, except where the context indicates otherwise.

During the quarter ended December 31, 2008, management determined that it had not correctly accounted for one of the inputs of the CDR liability calculation and certain severance costs of a limited number of remaining employees. As a result, the financial position and results of operations for the six months ended March 31, 2009 reflect an increase to contingent distribution rights expense and corresponding contingent distribution rights liability in the amount of \$219,000 and a reduction to selling, general and administrative expenses and accrued compensation of \$52,000. Management determined that the impact of these errors on previously issued interim consolidated financial statements was not material and determined that the impact of correcting these errors in the interim consolidated financial statements for the six months ended March 31, 2009 was not material, and therefore reflected the corrections in the six months ended March 31, 2009.

During the quarter ended March 31, 2009, management determined that it had not correctly accounted for a minority interest in a limited partnership. During the Company's review and financial analysis of the wind-down of its Canadian entities, the Company determined that, since the inception of a certain Canadian limited partnership in 1988, it had not properly accounted for the minority interest held in that partnership. Based on financial records of the Canadian limited partnership, as of March 31, 2009, the Company has recorded minority interest expense of \$549,000 (including the foreign exchange impact) and a corresponding decrease to contingent distribution rights expense and contingent distribution rights liability in the amount of \$203,000 resulting in a net reduction in earnings of \$346,000 for the three and six months ended March 31, 2009. Such items may be subject to further adjustment based upon the closing of the Canadian limited partnership's fiscal year 2009 and the ultimate dissolution of the partnership. Management determined that the impact of these errors on previously issued interim consolidated financial statements was not material and determined that the impact of correcting these errors in the interim consolidated financial statements for the three and six months ended March 31, 2009 was not material, and therefore reflected the corrections in the current quarter.

## **3. Changes in Accounting**

Effective October 1, 2008, the Company adopted the Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standard ("SFAS") No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair value measurements. SFAS 157 applies to previous accounting pronouncements that require or permit fair value measurements.

On October 1, 2008, the Company adopted SFAS 159 “The Fair Value Option for Financial Assets and Financial Liabilities-Including an amendment of SFAS 115” (“SFAS 159”). SFAS No. 159 permits entities to choose to elect, at specified election dates, to measure eligible financial instruments at fair value. The adoption of SFAS 159 did not have a material impact on the Company’s financial condition or results of operations.

The impact of adopting these standards is discussed in Note 9 of Notes to Consolidated Financial Statements.

#### 4. Equity Investments

Windspeed Acquisition Fund GP, LLC ("Windspeed") manages the Company's investments in equity securities. Windspeed receives fixed and declining management fees. Additionally, Windspeed shares in the net receipts from the sale of the Company's investments in equity securities at various percentages. Through March 31, 2009, the Company had received approximately \$63,839,000 in proceeds (prior to Windspeed’s management fees, sharing and target bonus award) since the inception of the management agreement with Windspeed. Windspeed has received approximately \$10,669,000 in combined management fees, sharing and target bonus award through March 31, 2009. Management fees are expensed when incurred, and realized gains on the sale of equity securities are reduced by sharing amounts under the management agreement. As reported on a Form 8-K filed by the Company on March 19, 2009, the management agreement was extended for an additional two years to February 20, 2011.

Realized gains or losses are recorded on the trade date based upon the difference between the proceeds and the cost basis determined using the specific identification method. Net realized gains are included in revenue in the consolidated statements of operations.

#### Marketable equity securities:

The Company's available-for-sale security holdings were as follows (in thousands):

	Cost	Gross unrealized gains	Market value
September 30, 2008	\$ -	\$ 55	\$ 55
December 31, 2008	\$ -	\$ -	\$ -
March 31, 2009	\$ -	\$ 69	\$ 69

Changes in the valuation of available-for-sale securities are included as changes in the unrealized holding gains (losses) in accumulated other comprehensive income (loss) (see Note 6 of Notes to Consolidated Financial Statements). At March 31, 2009, the Company held securities in three publicly-traded companies: Akamai Technologies, Inc. and two minor positions in securities valued under \$100.

The Company's practice is to work in conjunction with Windspeed to sell its marketable equity securities upon the expiration of the lockup period utilizing various timing strategies which seek to maximize the return to the Company.

#### Equity investments in private companies:

The Company's policy for assessing the carrying value of equity investments in privately held companies is, in consultation with Windspeed, to regularly review the assumptions underlying the operating performance and cash flow forecasts. The Company identifies and records impairment losses on equity securities when market and customer specific events and circumstances indicate the carrying value might be impaired. During the quarter ended March 31, 2009, the Company recorded a write-down of equity investments in the amount of \$20,000 for an equity investment unrelated to the portfolio managed by Windspeed. All write-downs are considered permanent impairments for financial reporting purposes.

## 5. Income Taxes

The Company files income tax returns in the U.S. federal jurisdiction, State of Illinois and foreign jurisdictions.

As of the date of this filing, the federal tax years open to examination are fiscal years ended September 30, 2005 through September 30, 2007.

In the State of Illinois, the Company is under audit for the tax year ended September 30, 2007. The Company does not expect any additional tax payments to be due as a result of this audit. There are no other significant state audits in progress.

The Company's Canadian subsidiary, Comdisco Canada Limited, currently is in the process of resolving several tax matters with federal and provincial tax authorities in Canada. The more significant tax matters include, but are not limited to, a tax audit performed by the Canada Revenue Agency ("CRA") for tax years ended September 30, 2001 through 2003 which was completed September 29, 2008 and amended tax returns and "Notices of Objection" to reassessments filed for several other tax years. The Company continues to advance matters with the provinces of Ontario and Quebec in respect to Notices of Objection and amended tax returns filed for several tax years in those provinces. The open federal tax years for the Canadian subsidiary are tax years ended September 30, 1998, 1999, 2002, and 2004 through 2008. The open tax years for the province of Ontario are tax years ended September 30, 1998 and 2003 through 2008. The open tax years for the province of Quebec are tax years ended September 30, 1999 and 2004. The open tax years for the province of Alberta are tax years ended September 30, 1999 and 2004.

The Company adopted the provisions of FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109" ("FIN 48") effective October 1, 2007. As a result of the implementation of FIN 48, the Company recognized a cumulative decrease in its liability for taxes of approximately \$3,799,000, which was accounted for as an increase to the October 1, 2007 balance of retained earnings. At September 30, 2007, the Company reported a net receivable balance for its Canadian subsidiary. As part of the adoption of FIN 48, the Company reports gross receivable and gross payable.

As of March 31, 2009, the Company has recorded liabilities relating to reserves of uncertain tax positions in the amount of \$3,816,000. The entire balance of \$3,816,000, if not realized, would impact the effective tax rate.

In the next twelve months, the Company's effective tax rate and the amount of unrecognized tax benefits could be affected positively or negatively by the resolution of ongoing tax audits and the expiration of certain statutes of limitations. The Company is unable to project the potential range of tax impacts at this time. During the quarter ended December 31, 2008, approximately \$5,328,000 was received from an income tax refund related to the Company's Canadian subsidiary. However, such receipts are anticipated to be used to satisfy Canadian taxes payable.

The Company recognizes accrued interest and penalties related to uncertain tax positions in the income tax provision. As of March 31, 2009, accrued interest and penalties amounted to \$2,399,000.

During the quarter ended December 31, 2008, the Company received a refund from the Mexican Ministry of Finance in the amount of \$128,000 and wrote down, for financial reporting purposes, the remaining refund balance of approximately \$770,000. During the quarter ended March 31, 2009, the Company re-filed with the Mexican Ministry of Finance and provided additional documentation in the continued pursuit of a refund of the remaining balance. The Company continues to uphold the merits of its tax positions, but the time involved and costs associated with the pursuit of the refunds may not allow the Company to realize their full value.

In addition, the Company had an unrelated tax receivable from the Mexican Ministry of Finance in the amount of \$104,000 as of March 31, 2009. The Company received the funds related to this tax receivable in April 2009.

## 6. Stockholders' Equity

When the Company emerged from bankruptcy, 4,200,000 shares of Common Stock were issued. As of March 31, 2009, the Company had 4,029,055 shares of Common Stock outstanding and 170,945 shares of Common Stock held in treasury.

Stockholders' equity consists of the following (in thousands):

	Common stock	Additional paid-in capital	Accumulated other comprehensive income	Retained earnings	Common stock in treasury	Total
Balance at September 30, 2008	\$ 72	\$ 43,775	\$ 55	\$ 1,471	\$ (4,321)	\$ 41,052
Net (loss)				(35)		(35)
Change in net unrealized gains			14			14
Balance at March 31, 2009	\$ 72	\$ 43,775	\$ 69	\$ 1,436	\$ (4,321)	\$ 41,031

Total comprehensive income (loss) consists of the following (in thousands):

	Three months ended March 31,		Six months ended March 31,	
	2009	2008	2009	2008
Unrealized gains (losses) on securities:				
Unrealized holding gains (losses) arising during the period	\$ 69	\$ (586)	\$ 69	\$ (228)
Reclassification adjustment for gains included in earnings before income taxes	---	(1,491)	(55)	(4,593)
Change in net unrealized gains (losses) (A)	69	(2,077)	14	(4,821)
Other comprehensive income (loss)	69	(2,077)	14	(4,821)
Net earnings (loss)	37	1,187	(35)	3,035
Total comprehensive income (loss)	\$ 106	\$ (890)	\$ (21)	\$ (1,786)

(A) – No income tax effect on these gains (losses)

## 7. Other Financial Information

Legally restricted cash is comprised of the following at March 31, 2009 and September 30, 2008 (in thousands):

	March 31, 2009	September 30, 2008
Incentive compensation escrow	\$ 455	\$ 453
Indemnification reserve	4,000	4,000
Other escrows	474	529
	\$ 4,929	\$ 4,982

The incentive compensation escrow is deferred compensation defined by the Plan held until an employee terminates with the Company. The indemnification reserve is a specific reserve set aside by the Company for any

potential indemnified losses in lieu of the litigation trustee purchasing insurance coverage. Other escrows include management fee escrows and a bank guaranty held in the Netherlands.

Other liabilities consist of the following (in thousands):

	March 31, 2009	September 30, 2008
Accrued compensation	\$ 1,184	\$ 1,237
CDRs	20,758	22,469
Other liabilities	834	187
	<u>\$ 22,776</u>	<u>\$ 23,893</u>

The liability for accrued compensation includes payroll and estimated amounts payable under the Plan. Other liabilities include the minority interest adjustment of \$549,000 recorded in the three and six months ended March 31, 2009.

The amounts due to CDR holders follow the formula described in "Critical Accounting Policies".

## 8. Financial Information by Geographic Area

The following table presents total revenue by geographic location based on the location of the Company's offices (in thousands):

	Three months ended March 31,		Six months ended March 31,	
	2009	2008	2009	2008
North America	\$ 280	\$ 2,353	\$ 659	\$ 8,903
Europe	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
Total	<u>\$ 282</u>	<u>\$ 2,356</u>	<u>\$ 663</u>	<u>\$ 8,908</u>

The following table presents total assets and cash by geographic location based on the location of the Company's offices (in thousands):

	March 31, 2009		September 30, 2008	
	Total Assets	Cash	Total Assets	Cash
North America	\$ 72,453	\$ 67,405	\$ 75,077	\$ 62,149
Europe	<u>355</u>	<u>355</u>	<u>387</u>	<u>387</u>
Total	<u>\$ 72,808</u>	<u>\$ 67,760</u>	<u>\$ 75,464</u>	<u>\$ 62,536</u>

## 9. Fair Value Measurements

On October 1, 2008, the Company adopted SFAS 157 for all financial instruments and non-financial instruments accounted for at fair value on a recurring basis. Fair value is defined by SFAS 157 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SFAS 157 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 – Quoted prices in active markets for identical assets and liabilities.
- Level 2 – Quoted prices in active markets for similar assets and liabilities, or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

All of the Company's financial assets that are measured at fair value on a recurring basis are measured using Level 1 inputs. The Company has not included a tabular disclosure as the Company's only financial assets that are measured at fair value on a recurring basis as of March 31, 2009 are money market funds and equity investments in one public company, which are measured at fair value based upon Level 1 inputs. The Company holds no financial liabilities that are measured at fair value on a recurring basis.

On October 1, 2008, the Company adopted SFAS 159 but did not elect the fair value option.

## **ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion and analysis should be read in conjunction with the Consolidated Financial Statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2008, and with the information under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2008.

THE COMPANY EMERGED FROM CHAPTER 11 BANKRUPTCY PROCEEDINGS ON AUGUST 12, 2002. THE PURPOSE OF THE COMPANY IS TO SELL, COLLECT OR OTHERWISE REDUCE TO MONEY IN AN ORDERLY MANNER THE REMAINING ASSETS OF THE CORPORATION. PURSUANT TO THE COMPANY'S FIRST AMENDED JOINT PLAN OF REORGANIZATION (THE "PLAN") AND RESTRICTIONS CONTAINED IN THE COMPANY'S CERTIFICATE OF INCORPORATION, THE COMPANY IS SPECIFICALLY PROHIBITED FROM ENGAGING IN ANY BUSINESS ACTIVITIES INCONSISTENT WITH ITS LIMITED BUSINESS PURPOSE. ACCORDINGLY, WITHIN THE NEXT FEW YEARS, IT IS ANTICIPATED THAT THE COMPANY WILL HAVE REDUCED ALL OF ITS ASSETS TO CASH AND MADE DISTRIBUTIONS OF ALL AVAILABLE CASH TO HOLDERS OF ITS COMMON STOCK AND CONTINGENT DISTRIBUTION RIGHTS IN THE MANNER AND PRIORITIES SET FORTH IN THE PLAN. AT THAT POINT, THE COMPANY WILL CEASE OPERATIONS AND NO FURTHER DISTRIBUTIONS WILL BE MADE. THE COMPANY FILED ON AUGUST 12, 2004 A CERTIFICATE OF DISSOLUTION WITH THE SECRETARY OF STATE OF THE STATE OF DELAWARE TO FORMALLY EXTINGUISH COMDISCO HOLDING COMPANY, INC.'S CORPORATE EXISTENCE WITH THE STATE OF DELAWARE EXCEPT FOR THE PURPOSE OF COMPLETING THE WIND-DOWN CONTEMPLATED BY THE PLAN.

## **General**

### **Wind-Down of Operations**

Since emerging from bankruptcy proceedings on August 12, 2002, the Company has, pursuant to the Plan, focused on the monetization of its remaining assets. Therefore, comparisons of quarter-to-quarter or year-to-year results of operations should not be relied upon as an indication of the Company's future performance.

The Company has reduced, and expects to continue to reduce, the size and complexity of its organizational and systems infrastructure concurrently with the monetization of its assets. As of the date of this filing, the Company had a total of five employees (two full-time and three part-time), a decrease of approximately 99 percent from approximately 600 employees upon emergence on August 12, 2002. Approximately ten former employees continue to periodically assist the Company on a consulting basis.

On August 12, 2004, Randolph I. Thornton's appointment as Initial Disbursing Agent became effective. As Initial Disbursing Agent, he assumed the roles and responsibilities performed by the former Board of Directors and officers of the Company, including all measures which are necessary to complete the administration of the reorganized debtors' Plan and Chapter 11 cases.

See "Risk Factors Relating to the Company--Uncertainties Relating to the Wind-down of Operations" in Item 1A in Part II Other Information.

### **Overview**

On July 16, 2001, Comdisco, Inc. and 50 of its domestic subsidiaries voluntarily filed for bankruptcy.

Comdisco Holding Company, Inc., as the successor company to Comdisco, Inc., emerged from bankruptcy under a confirmed plan of reorganization that was effective on August 12, 2002. In accordance with the Plan, Comdisco Holding Company, Inc. became the successor to Comdisco, Inc.

Since the Company emerged from Chapter 11 bankruptcy proceedings on August 12, 2002, the Company's business activities have been limited to the orderly sale or run-off of all of its existing asset portfolios. Pursuant to the Plan and restrictions contained in its certificate of incorporation, the Company is specifically prohibited from engaging in any business activities inconsistent with its limited business purpose. Since emerging from bankruptcy, the Company has not engaged in any new leasing or financing activities, except for previously existing customer commitments and to restructure existing equipment leases and loans to maximize the value of the Company's assets.

The Company maintains sufficient cash reserves for the potential CDR liability related to its equity and to potential recoveries and net distributions by the Litigation Trust to C-4 creditors. The outcome and timing of the actual net distributions by the Litigation Trust will impact both the timing and the amount of future dividends and CDR payments. See below for "Critical Accounting Policies" and Item 1A. "Risk Factors" "Impact of Recoveries by Litigation Trust on the Company's Obligation To Make Payments in Respect of Contingent Distribution Rights", "Uncertainties Inherent in the CDR Liability Calculation" and "Uncertainties Inherent in the Determination of Fair Market Value of the Remaining Portfolio".

The Company has material restrictions on its ability, and does not expect, to make significant investments in new or additional assets. The Company continually evaluates opportunities for the orderly sale and collection of its remaining assets. Accordingly, within the next few years, it is anticipated that the Company will have reduced all of its assets to cash, resolved all litigation and made distributions of all available cash to holders of its Common Stock and CDRs in the manner and priorities set forth in the Plan and completed all regulatory filings. At that point, the Company will cease operations.

The Company's revenues are generated primarily by sales of equity securities and interest income on cash balances. Because of the Company's declining assets, revenue will continue to decline and, because of the Company's limited business purpose, this trend is expected to continue. The Company's expenses are primarily

CDRs, and selling, general and administrative expenses. As a result of the wind-down of operations, the Company expects continued declines in total costs and expenses, subject to volatility in the amount of expense associated with the liability for CDRs.

The Company's operations continued to wind down during the three months ended March 31, 2009 compared to prior periods. The Company's assets at March 31, 2009 consisted primarily of cash, tax receivables, and equity securities. The timing of collections on the tax receivables and the sale of equity securities is uncertain. The equity securities portfolio requires liquidity events before certain of these assets can be converted to cash. The Company expects that proceeds from the disposition of equity securities will provide future cash flows in excess of the current carrying value of these assets. In addition, the Company, as a former lessor, has a number of leases in default whereby collection efforts are underway to support a recovery on those accounts. Receipts, if any, will be in excess of the respective carrying value of these assets because the related lease receivables were previously written-off.

Equity Investments: The Company holds common stock, preferred stock and warrants (collectively "Equity Investments"). The Company carries its common stock and preferred stock investments in public companies at fair market value and in private companies at the lower of cost or estimated fair market value in its financial statements. Any warrants held by the Company in private companies are carried at zero value. Any write-downs in the carrying value of such Equity Investments in private companies are considered permanent for financial reporting purposes. See Note 4 of Notes to Consolidated Financial Statements and "Critical Accounting Policies". It is management's expectation that the amount ultimately realized on Equity Investments will, in the aggregate, exceed the amount reflected in the financial statements as of March 31, 2009, which is approximately \$1,136,000. The Company's estimate of the fair value of its private company investments was made in consultation with Windspeed Acquisition Fund GP, LLC ("Windspeed"), a professional management group which the Company engaged to manage the Company's Equity Investments on an ongoing basis in February 2004. The Windspeed management agreement was extended on March 16, 2009 to February 20, 2011. The Company estimates that the realizable value, net of fees and sharing with Windspeed (see table below), at March 31, 2009 for its Equity Investments in private companies is approximately \$3,343,000. However, there is no assurance as to the timing or the amount the Company will ultimately realize on the Equity Investments. Management's expectations are subject to the risk factors discussed in Item 1A in Part II Other Information, entitled "Market Conditions Have Made It Difficult and May Continue to Make It Difficult for the Company to Timely Realize on the Value of Its Warrant and Equity Securities."

The following table summarizes the changes in the value of the Company's Equity Investments since September 30, 2008 (in thousands):

	Public Companies (1) (3)	Private Companies (2) (3)
September 30, 2008 estimated realizable value	\$ 55	\$ 2,958
Realized—net of fees	(46)	(46)
Increase (decrease) in unrealized estimated value	(9)	39
(Decrease) due to additional management fees	--	(150)
December 31, 2008 estimated realizable value	--	2,801
Realized – net of fees	--	(126)
Increase (decrease) in unrealized estimated value	69	668
March 31, 2009 estimated realizable value	\$ 69	\$ 3,343

- (1) Carrying value of public companies for financial statements is market value. See Note 4 of Notes to Consolidated Financial Statements.
- (2) Carrying value of private companies for financial statements is the lower of cost or fair value, or approximately \$1,136,000.
- (3) Net of fees and sharing with Windspeed including additional fees under the extended management agreement.

Collections and recoveries: The Company has potential collections and recoveries on accounts previously written off. A substantial number of such recoveries involve prior lessees or debtors now in bankruptcy and in whose respective cases the Company has filed and is pursuing claims to maximize its recoveries. The Company's cost basis in these accounts is nominal. The amount and timing of such collections and recoveries, if any, are subject to the risk factors discussed in Item 1A in Part II Other Information entitled "Uncertainties in Collections and Recoveries."

### **Critical Accounting Policies**

The Company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires management to use estimates and assumptions that affect reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent assets and liabilities. These estimates are subject to known and unknown risks, uncertainties and other factors that could materially impact the amounts reported and disclosed in the consolidated financial statements.

The SEC issued Financial Reporting Release No. 60, "Cautionary Advice Regarding Disclosure About Critical Accounting Policies" which recommends that companies provide additional disclosure and analysis of those accounting policies considered most critical.

The Company believes the following to be among the most critical judgment areas in the application of its accounting policies:

- **CDRs and CDR Liability:** The Plan entitles holders of Comdisco Holding's CDRs to share at increasing percentages in the proceeds realized from the monetization of the Company's assets based upon the present value of distributions made to the general unsecured creditors in the bankruptcy estate of Comdisco, Inc.

As of September 30, 2008, management revised the estimate of its liability to holders of CDRs as a result of significant events and the resolution of various matters that occurred in the fourth quarter of fiscal year 2008. The estimate of the CDR liability is accounted for in accordance with the provisions of Statement of Financial and Accounting Standards No. 5, Accounting For Contingencies ("SFAS 5"). Under SFAS 5, a liability must be booked that is probable and reasonably estimable as of the balance sheet date.

The Company revised certain estimates utilized in estimating the CDR liability as a result of significant events and the resolution of various matters that occurred in the fourth quarter of fiscal year 2008. Those events included: (i) the summary judgments in favor of the Litigation Trust against certain SIP Participants received on September 24, 2008, (ii) the distribution of the final Allowed Claim on July 10, 2008, (iii) the withdrawal or dismissal of all remaining claims in the fourth quarter of the fiscal year 2008, (iv) the closure of the Disputed Claims Reserve and the final supplemental distribution from the Disputed Claims Reserve on August 14, 2008, and (v) the cancellation of the Class C-5B shares in the Disputed Interests Reserve and the reallocation of the cash balances relating to those shares to the remaining CDR holders of record on September 25, 2008. As a result of those significant events that occurred in the fiscal quarter ended September 30, 2008 and as a result of other facts and circumstances, the Company believes it is also better able to estimate certain future cash flows in excess of book value that were previously not considered reasonably estimable. However, due to the volatility in the markets for equity, the Company has not included its fair value estimates of securities in privately held companies in determining the CDR liability.

As of September 30, 2008, the Company estimated, and will continue to estimate, the CDR liability based on the net equity of the Company after taking into consideration future operating costs and expenses, and other expected cash inflows in excess of book value, including estimated future interest income, estimated recoveries and the potential net distributions from the Litigation Trust which are currently estimated to be nominal. See the risk factors discussed in Item 1A. "Risk Factors",

particularly the risks entitled “Uncertainties Inherent in the CDR Liability Calculation” and “Uncertainties Inherent in the Determination of Fair Market Value of the Remaining Portfolio.”

- **Equity Investments In Private Companies:** Equity investments in private companies consist primarily of small investments in approximately 60 private companies. The Company carries its common stock and preferred stock investments in private companies at the lower of cost or estimated fair market value in the financial statements. Warrants in non-public companies are carried at zero value. The Company, in consultation with Windspeed, which provides ongoing management of its portfolio in equity investment, regularly estimates the value of investments in private companies and adjusts carrying values when market and customer specific events and circumstances indicate that such assets might be impaired. All write-downs are considered permanent impairments for financial reporting purposes. During the quarter ended March 31, 2009, the Company recorded a write-down in the amount of \$20,000 for an equity investment unrelated to the portfolio managed by Windspeed. The carrying value of the Company's equity investments in private companies was \$1,136,000 at March 31, 2009.
- **Income Taxes:** Effective October 1, 2007, the Company adopted FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - an Interpretation of FASB Statement No. 109" ("FIN 48"). The impact of adopting this standard is discussed in Note 5 of Notes to Consolidated Financial Statements.

The above listing is not intended to be a comprehensive list of all the Company's accounting policies. Please refer to the Company's consolidated financial statements and notes thereto which contain the Company's significant accounting policies and other disclosures required by accounting principles generally accepted in the United States of America.

### **Recently Issued Professional Accounting Standards**

The Company adopted the Financial Accounting Standards Board (“FASB”) Statement of Financial Accounting Standard (“SFAS”) No. 157, “Fair Value Measurements” (“SFAS 157”) on October 1, 2008 for financial assets and liabilities, and non-financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis. SFAS 157 defines fair value, establishes a framework for measuring fair value as required by other accounting pronouncements and expands fair value measurement disclosures. The provisions of SFAS 157 are applied prospectively upon adoption and did not have a material impact on the Company’s consolidated financial statements. The disclosures required by SFAS 157 are included in Note 9 of Notes to Consolidated Financial Statements.

In February 2008, the FASB issued FASB Staff Position 157-2, which delays the effective date of SFAS 157 for non-financial assets and liabilities, which are not measured at fair value on a recurring basis (at least annually) until fiscal years beginning after November 15, 2008. The Company is currently assessing the impact of adopting SFAS 157 for non-financial assets and liabilities on the Company’s consolidated financial statements.

On October 1, 2008, the Company adopted SFAS No. 159 “The Fair Value Option for Financial Assets and Financial Liabilities-Including an amendment of SFAS No. 115” (“SFAS 159”). SFAS 159 permits entities to choose to elect, at specified election dates, to measure eligible financial instruments at fair value. The adoption of SFAS 159 did not have a material impact on the Company’s financial condition or results of operations. The disclosures required by SFAS 159 are included in Note 9 of Notes to Consolidated Financial Statements.

In December 2007, the FASB issued SFAS 160, “Noncontrolling Interests in Consolidated Financial Statements—an amendment of ARB No. 51” (“SFAS 160”). SFAS 160 changes accounting and reporting standards for the noncontrolling interest in a subsidiary (previously referred to as minority interests). Upon adoption of SFAS 160 on October 1, 2009, the Company will be required to report any noncontrolling interests as a separate component of stockholders’ equity. The Company has a 1% minority interest.

## **Recent Developments**

### **Equity Investments**

On January 30, 2009, Open Table, Inc. (“Open Table”) announced that it had filed a registration statement on Form S-1 relating to a proposed initial public offering of shares of its common stock. Open Table is held in the Company’s equity investments in private companies portfolio as of March 31, 2009 at a fair value estimate of \$807,000, an increase of \$675,000 from the December 31, 2008 quarter end fair value estimate. See the risk factors discussed in Item 1A. “Risk Factors” entitled “Uncertainties Inherent in the Determination of Fair Market Value of the Remaining Portfolio”.

### **SIP Joinder Action**

On January 27, 2006, certain of the SIP participants filed a joint action in the Circuit Court of Cook County, Illinois, County Department, Law Division, Case Number 2006L001006 and captioned Bryant Collins, et al v. Nicholas Pontikes, et al. against certain directors of the former Comdisco, Inc. The defendants filed a Motion to Dismiss the suit on December 5, 2006. At the hearing held on March 11, 2008, the judge dismissed the complaint with leave for the plaintiffs to replead by April 8, 2008. After a series of motions and other proceedings by the plaintiffs, they filed their First Amended Complaint. On December 15, 2008, the defendants filed a Motion to Dismiss the First Amended Complaint. On February 24, 2009, the judge set a briefing schedule. Subsequently, the plaintiffs sought an extension to their filing deadlines and the defendants moved to set a date certain for the hearing on the Motion to Dismiss. At a hearing held on April 21, 2009, the attorney for the plaintiffs advised the judge that he would be making an offer of settlement in the near future. Pending the settlement offer, the judge revised the briefing schedule and set a status update for June 1, 2009. On May 5, 2009, the attorney for the plaintiffs tendered a settlement offer to the defendants which has been forwarded to the former Comdisco, Inc.’s insurance carriers (see below) for their review and consideration.

The matter has been referred to the former Comdisco, Inc.'s directors' and officers' insurance policy carriers. On November 8, 2007, the Company received a reservation of rights letter (dated October 16, 2007) from the carriers asserting that the carriers were reserving the right to deny coverage based on certain allegations in the complaint and due to the fact that a former officer of Comdisco was a named plaintiff. On December 4, 2007, the Company responded to the letter challenging the reservation of rights by the carriers. On December 11, 2007, the carriers reaffirmed their reservation of rights. As of the date of this filing, the Company and the carriers have not resolved the dispute. The Company may owe a duty of indemnification to some of the defendant directors. The amount of such indemnification, if any, is not reasonably estimable at this time.

### **Litigation Trust Termination Motion**

On March 16, 2006, a motion was filed in the Bankruptcy court for the Northern District of Illinois on behalf of certain SIP Participants who had filed proofs of claim in the Comdisco, Inc. bankruptcy ("SIP Claimants"). The motion sought an order from the Bankruptcy court terminating the Litigation Trust. On July 20, 2006, the Bankruptcy court judge denied the motion of the SIP Claimants. On August 18, 2006, the SIP Claimants appealed the Bankruptcy court judge's denial of their motion. On January 30, 2007, the federal district court judge affirmed the denial of the motion. The SIP Claimants appealed the denial to the US Circuit Court of Appeals for the 7th Circuit. A mandatory mediation was held on April 20, 2007. The mediation was adjourned and no settlement was achieved by the parties. The parties briefed the appeal and oral arguments were held before the Appellate Court on November 26, 2007. On August 13, 2008, the Appellate Court ruled and dismissed the appeal for want of jurisdiction. As of the date of this filing, there have been no further proceedings on this matter.

### **Litigation Trust Summary Judgments**

On September 24, 2008, a federal district court judge entered summary judgments in favor of the Litigation Trust against twenty-seven of the SIP Participants on their respective SIP Note obligations. The Litigation Trust has commenced collection actions. As of the date of this filing, the SIP participants have filed appeals on those judgments. A briefing schedule has been set by the Appellate Court. As of the date of this filing, a federal district

court judge entered orders in cases against twenty-three SIP Participants ordering that certain CDRs and related proceeds held by the Company and BNY Mellon (holder of CDRs) on behalf of these SIP Participants be turned over to the Litigation Trust. As of March 31, 2009, four of the twenty-seven SIP participants have settled their respective judgments with the Litigation Trust which is also in ongoing settlement discussions with some of the state and other federal SIP participants. Additionally, the Litigation Trust has filed summary judgments against all of the SIP participants who are defendants in the pending state court action. Please refer to the quarterly reports filed by the Litigation Trust in the bankruptcy court for more details.

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## Results of Operations

Three Months Ended March 31, 2009 compared to the Three Months Ended March 31, 2008

### Revenue

Changes in total revenue for the three months ended March 31, 2009 compared to the three months ended March 31, 2008 were as follows (in thousands):

	Three months ended March 31,		Percent Increase (Decrease)	Explanation of Change
	2009	2008		
Gain on sale of equity and warrant securities	\$ 126	\$ 1,803	(93%)	Equity securities, which are managed by Windspeed, represent the primary remaining revenue generating asset. See "Overview" for additional information. (A)
Interest income	156	548	(72%)	Interest earned on cash balances. (B)
Miscellaneous income	--	5	(100%)	Miscellaneous receipts.
Total revenue	\$ 282	\$ 2,356	(88%)	

- A) The decrease in gains on sale of equity holdings for the quarter ended March 31, 2009 relates to a decrease in the liquidations of positions in public and private companies compared to the quarter ended March 31, 2008.
- B) Interest income earned in the quarter ended March 31, 2009 is lower compared to the prior year quarter primarily due to lower interest rates.

### Costs and Expenses

Changes in total costs and expenses for the three months ended March 31, 2009 compared to the three months ended March 31, 2008 were as follows (in thousands):

	Three months ended March 31,		Percent Increase (Decrease)	Explanation of Change
	2009	2008		
Selling, general and administrative	\$ 1,095	\$ 1,423	(23%)	SG&A costs have decreased with the continued wind-down of operations.
Write-down of equity securities	20	1,325	(98%)	Impairment of asset.
Contingent distribution rights	(1,320)	(445)	(+100%)	(A)
Bad debt recoveries	(176)	(144)	22%	Collections and recoveries. fluctuations.
Minority interest	542	--	N/A	(B)
Foreign exchange loss	113	90	26%	Foreign exchange rate fluctuations. (C)
Total costs and expenses	\$ 274	\$ 2,249	(88%)	

- (A) The CDR reduction in expense is primarily the result of a minority interest expense, reduced future estimated interest income cash flows, a reduced recovery estimate and higher estimated future selling, general and administrative costs for professional fees. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Critical Accounting Policies" for more information.
- (B) During the Company's review and financial analysis of the wind-down of its Canadian entities, the Company determined that, since the inception of a certain Canadian limited partnership in 1988, it had not

properly accounted for the minority interest held in that partnership. Based on financial records of the Canadian limited partnership, as of March 31, 2009, the Company has recorded minority interest expense of \$542,000 and a corresponding reduction in CDR expense of \$203,000. Such items may be subject to further adjustment based upon the closing of the Canadian limited partnership's fiscal year 2009 and the ultimate dissolution of the partnership.

- (C) Foreign exchange loss primarily relates to the strengthening of the U.S. dollar against the Canadian Dollar and Mexican Peso as the Company's foreign subsidiaries held monetary assets denominated in those currencies.

#### **Income taxes**

The Company recorded \$32,000 of U.S. federal income tax benefit for the three months ended March 31, 2009 and no U.S. federal income tax expense for the three months ended March 31, 2008.

The Company recorded \$3,000 of income tax expense for its Canadian subsidiary for the three months ended March 31, 2009. The Company recorded a \$1,080,000 income tax benefit for its Canadian subsidiary for the three months ended March 31, 2008 due to the CRA audit settlement.

See Note 5 in Notes to Consolidated Financial Statements for information on the adoption of FIN 48.

#### **Net Earnings**

Net earnings was approximately \$37,000, or \$0.01 per share-basic and diluted, for the three months ended March 31, 2009 compared to net earnings of approximately \$1,187,000, or \$0.29 per share-basic and diluted, for the three months ended March 31, 2008.

Six Months Ended March 31, 2009 Compared to the Six Months Ended March 31, 2008

**Revenue**

Changes in total revenue for the six months ended March 31, 2009 compared to the six months ended March 31, 2008 were as follows (in thousands):

	Six months ended March 31,		Percent Increase (Decrease)	Explanation of Change
	2009	2008		
Gain on sale of equity and warrant securities	\$ 218	\$ 7,457	(97%)	Equity securities, which are managed by Windspeed, represent the primary remaining revenue generating asset. See "Overview" for additional information. (A)
Interest income	437	1,401	(69%)	Interest earned on cash balances. (B)
Miscellaneous income	8	50	(84%)	Miscellaneous receipts.
Total revenue	<u>\$ 663</u>	<u>\$ 8,908</u>	<u>(93%)</u>	

- A) The decrease in gains on sale of equity holdings for the six months ended March 31, 2009 relates to a decrease in the liquidations of positions in public and private companies compared to the six months ended March 31, 2008.
- B) Interest income earned in the six months ended March 31, 2009 is lower compared to the prior year period primarily due to lower interest rates.

**Costs and Expenses**

Changes in total costs and expenses for the six months ended March 31, 2009 compared to the six months ended March 31, 2008 were as follows (in thousands):

	Six months ended March 31,		Percent Increase (Decrease)	Explanation of Change
	2009	2008		
Selling, general and administrative	\$ 2,436	\$ 2,904	(16%)	SG&A costs have decreased with the continued winddown of operations.
Write-down of equity securities	20	1,325	(98%)	Impairment of asset.
Contingent distribution rights	(1,711)	997	(+100%)	(A)
Bad debt recoveries	(2,118)	(329)	(+100%)	Collections & recoveries.(B)
Minority interest	542	--	N/A	(C)
Foreign exchange loss	746	67	+100%	Foreign exchange rate fluctuations. (D)
Total costs and expenses	<u>\$ (85)</u>	<u>\$ 4,964</u>	<u>(+100%)</u>	

- (A) The reduction in CDR expense is primarily the result of the foreign exchange loss and a minority interest expense, reduced future estimated interest income cash flows, a reduced recovery estimate and higher estimated future selling, general and administrative costs for professional fees. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Critical

Accounting Policies" for a discussion of the potential liability from any future recoveries and distributions by the litigation trustee.

- (B) The increase in the current year period compared to the year earlier period is primarily due to a collection from a settlement agreement in the Just for Feet bankruptcy estate of approximately \$1,750,000 received in January 2009.
- (C) During the Company's review and financial analysis of the wind-down of its Canadian entities, the Company determined that, since the inception of a certain Canadian limited partnership in 1988, it had not properly accounted for the minority interest held in that partnership. Based on financial records of the Canadian limited partnership, as of March 31, 2009, the Company has recorded minority interest expense of \$542,000 and a corresponding reduction in CDR expense of \$203,000. Such items may be subject to further adjustment based upon the closing of the Canadian limited partnership's fiscal year 2009 and the ultimate dissolution of the partnership.
- (D) Foreign exchange loss primarily relates to the strengthening of the U.S. dollar against the Canadian Dollar and Mexican Peso as the Company's foreign subsidiaries hold monetary assets denominated in those currencies.

### **Income taxes**

The Company recorded \$17,000 U.S. federal income tax benefit for the six months ended March 31, 2009 and recorded nominal U.S. federal income tax expense for the six months ended March 31, 2008. The Company recorded income tax expense for its Canadian subsidiary of \$30,000 for the six months ended March 31, 2009 and the Company recorded income tax expense for its Canadian subsidiary of \$804,000 for the six months ended March 31, 2008. See Note 5 in Notes to Consolidated Financial Statements for information on the adoption of FIN 48.

During the quarter ended December 31, 2008, the Company received a refund from the Mexican Ministry of Finance in the amount of \$128,000 and wrote down, for financial reporting purposes, the remaining refund balance of approximately \$770,000. During the quarter ended March 31, 2009, the Company re-filed with the Mexican Ministry of Finance and provided additional documentation in the continued pursuit of a refund of the remaining balance. The Company continues to uphold the merits of its tax positions, but the time involved and costs associated with the pursuit of the refunds may not allow the Company to realize their full value.

### **Net Earnings/Loss**

Net loss was approximately \$35,000, or (\$0.01) per share-basic and diluted, for the six months ended March 31, 2009 compared to net earnings of approximately \$3,035,000, or \$0.75 per share-basic and diluted, for the six months ended March 31, 2008.

### **Off-Balance Sheet Arrangements**

The Company does not maintain any off-balance sheet arrangements, transactions, obligations or other relationships with unconsolidated entities that could be expected to have a material current or future effect upon the Company's financial condition or results of operations.

### **Liquidity and Capital Resources**

The Company's liquidity generally depends on cash on hand and cash provided by operating activities. The Company's cash flow from operating activities is dependent on a number of variables, including, but not limited to, market conditions for the sale of Equity Investments, control of operating costs and expenses and the ability of the Company to dispose or otherwise convert to cash its remaining assets. All funds generated from the collection of remaining assets are required by the Plan to be used to satisfy liabilities of the Company and, to the extent funds are available, to pay dividends on the Company's Common Stock and to make distributions with respect to the CDRs in

the manner and priorities set forth in the Plan. Because of the composition and nature of its remaining assets, the Company expects to generate funds from the sale or collection of its remaining assets at a decreasing rate over time.

At March 31, 2009, the Company had unrestricted cash and cash equivalents of approximately \$62,831,000 an increase of approximately \$5,277,000 compared to September 30, 2008. Net cash provided by operating activities for the three months ended March 31, 2009 was approximately \$5,861,000.

The Company's operating activities during the six months ended March 31, 2009 were funded by cash on hand. During the six months ended March 31, 2009, \$129,000 of proceeds were generated from the Windspeed managed warrant and equity portfolio, \$2,485,000 was received from interest income and bad debt recoveries and approximately \$5,328,000 was received from an income tax refund related to the Company's Canadian subsidiary. However, such tax receipts are anticipated to be used to satisfy Canadian taxes payable. Additionally, \$128,000 was received from an income tax refund related to the Company's Mexican subsidiary. The Company's cash expenditures were primarily operating expenses of approximately \$2,174,000 (principally professional services and employee's compensation).

The Company's current and future liquidity depends on cash on hand, interest income, recoveries, proceeds from the sale of Equity Investments and collection on remaining assets. The Company expects its cash on hand and cash flow from operations to be sufficient to fund operations and to meet its obligations (including its obligation to make payments to CDR holders) under the Plan for the foreseeable future.

See "Risk Factors Relating to the Company--The Company's Liquidity is Dependent on a Number of Factors" in Item 1A in Part II Other Information.

### **Dividends**

There were no dividends paid in the current quarter. The Company intends to treat any future dividend distributions for federal income tax purposes as part of a series of liquidating distributions in complete liquidation of the Company.

See "Risk Factors Relating to the Company--The Payment of Dividends and Distributions and Limited Public Market for Common Stock" in Item 1A in Part II Other Information.

### **Contingent Distribution Rights**

For financial reporting purposes, the Company records CDRs as a liability and as an operating expense although the CDRs trade over-the-counter.

The Plan entitles holders of CDRs to share at increasing percentages in the proceeds realized from the Company's assets based upon the present value of distributions to certain C-4 creditors in the bankruptcy estate of Comdisco, Inc. As of March 31, 2009, the sharing percentage was 37%, which is the maximum sharing percent. As of the date of this filing, there were 1,997 holders of record of the Company's CDRs and there were 148,448,188 outstanding CDRs.

The Company maintains sufficient cash reserves for operations and the potential CDR liability arising from either the Company's equity or potential net distributions from the Litigation Trust to the C-4 creditors. The outcome and the timing of the actual net distributions from the Litigation Trust will impact both the timing and the amount of future dividends and CDR payments.

At September 30, 2008, the Company estimated, and will continue to estimate, the CDR liability based on the net equity of the Company after taking into consideration future operating costs and expenses, and other expected cash inflows in excess of book value, including estimated future interest income, estimated recoveries and the potential net distributions from the Litigation Trust which are currently estimated to be nominal. See the risk factors "Risk Factors Relating to the Company" in Item 1A in Part II Other Information, particularly the risks entitled "Uncertainties Inherent in the CDR Liability Calculation" and "Uncertainties Inherent in the Determination of Fair Market Value of the Remaining Portfolio" and "Limited Public Market for Contingent Distribution Rights."

### **CDR Payment**

There were no CDR payments during the current quarter.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

**Not applicable**

### **ITEM 4. CONTROLS AND PROCEDURES**

#### **Evaluation of Disclosure Controls and Procedures**

Randolph I. Thornton, the sole director of the Company, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on such evaluation, the sole director of the Company has concluded that the Company's disclosure controls and procedures are effective as of March 31, 2009 in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act.

#### **Change in Internal Controls**

There has been no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the Company's second quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

## **PART II. OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Recent Developments" for a discussion of a lawsuit styled as a joint action filed against former members of the Board of Directors of Comdisco, Inc., the motion of certain SIP claimants to terminate the Litigation Trust and the motion by the Litigation Trust to obtain summary judgments against certain SIP defendants.

### **ITEM 1A. RISK FACTORS RELATING TO THE COMPANY**

The following risk factors and other information included in this Quarterly Report on Form 10-Q should be carefully considered. The risks and uncertainties described below are not the only ones the Company confronts. Additional risks and uncertainties not presently known to it or that it currently deems immaterial also may impair the Company's business operations and the implementation of the Plan. If any of the following risks actually occurs, the Company's business, financial condition, operating results and the implementation of the Plan could be materially adversely affected.

#### ***Uncertainties Relating to the Bankruptcy Plan and the Limited Business Plan***

The Company has incurred and will continue to incur significant costs associated with the administration of the estate of Comdisco, Inc. and in completing the wind down of operations. The amount of these costs, which are

being expensed as incurred, are expected to have a significant adverse affect on the results of operations and on the Company's cash position.

The Company's post-bankruptcy business plan is limited to an orderly run-off or sale of its remaining assets. Pursuant to the Plan and restrictions contained in its certificate of incorporation, the Company is specifically prohibited from engaging in any business activities inconsistent with its limited business plan. This business plan is based on numerous assumptions including the anticipated future performance of the Company in running off its operations, the time frame for the run-off, general business and economic conditions, and other matters, many of which are beyond the control of the Company and some of which may not materialize. As a result, the Company's ability to effectively complete this business plan is inherently uncertain. In addition, unanticipated events and circumstances occurring subsequent to the date of this Quarterly Report may affect the actual financial results of the Company's operations.

#### ***Uncertainties Relating to the Wind Down of Operations***

The Company has reduced the size and complexity of its organizational and systems infrastructure concurrently with the monetization of its assets. The success of the Company's continuing wind down of operations and implementation of an Order entered by the Bankruptcy court authorizing the organizational systems infrastructure wind down is dependent on numerous factors, including the timing and amount of cash received from the monetization of its assets, the ability of the Disbursing Agent to fulfill the positions of the previous Board of Directors and executive officers and the ability of the Company to effectively consolidate its management structure and maintain its operations with limited personnel.

#### ***Impact of Recoveries by Litigation Trust on the Company's Obligation to Make Payments in Respect of Contingent Distribution Rights***

As the present value of distributions to certain C-4 creditors have reached the 100% threshold level of percentage recovery established pursuant to the Plan, holders of CDRs are entitled to receive payments from the Company equal to 37% of each dollar available to be distributed to Comdisco C-4 creditors in accordance with the Plan. All payments by the Company in respect of CDRs are made from the Company's available cash-on-hand and not from funds distributed by the Litigation Trust. The Company expects to maintain cash reserves sufficient to make any required payments pursuant to its CDR liability arising from either the Company's equity or net distributions from the Litigation Trust. Any actual net distributions by the Litigation Trust to the C-4 creditors will increase the Company's liability to CDR holders. As of the date of this filing, a reasonable estimate of future net distributions is not determinable.

#### ***Uncertainties Inherent in the CDR Liability Calculation***

The CDR liability is management's estimate of the amount of the net equity of the Company to be shared by holders of CDRs at the sharing percentage of 37%. The formula used to calculate the net equity of the Company includes variables (e.g. future operating costs and expenses, estimated future interest income, estimated recoveries, actual asset values realized, currency fluctuations, etc.) which are not under the control of the Company. Such variables are inherently uncertain due to the impact of influences such as time, inflation or deflation, interest rate changes, foreign currency exchange rate changes, third party credit risks, international and domestic events, court or tax rulings contrary to the Company's expectations, and timing and amounts of distributions to C-4 creditors by the Litigation Trust.

#### ***Uncertainties Inherent in the Determination of Fair Market Value of the Remaining Portfolio***

The determination of the fair value of the remaining portfolio of the Company is management's estimate of such fair value at a moment in time based on information available to management at that time. The estimate of fair value is inherently uncertain due to external factors that could impact the value of assets remaining in the portfolio. Some of the external factors include time, inflation and deflation, changes in interest and foreign currency exchange rates, third party credit risks, domestic and international events, court or tax rulings contrary to the Company's expectations, and liquidation events in the equity portfolio.

### ***The Company's Liquidity is Dependent on a Number of Factors***

The Company's liquidity generally depends on cash on hand and cash provided by operating activities. The Company's cash flow from operating activities is dependent on a number of variables, including, but not limited to, market conditions for the sale of equity securities, global economic and political conditions, control of operating costs and expenses and the ability of the Company to dispose or otherwise convert to cash its remaining assets.

### ***Market Conditions Have Made It Difficult and May Continue to Make it Difficult for the Company To Timely Realize the Value of its Warrant and Equity Securities (collectively, "Equity Investments")***

Market conditions have adversely affected, and could adversely affect in the future, the opportunities for the acquisition/merger of the Internet-related, communications and other high technology and emerging growth companies that make up the substantial majority of the Company's Equity Investments. Additionally, the public market for high technology and other emerging growth companies is extremely volatile. Such volatility has adversely affected, and could continue to adversely affect, the ability of the Company to realize value from its Equity Investments. Exacerbating these conditions is the fact that some of the Equity Investments held by the Company may be subject to lockup agreements restricting its ability to sell until several months after an initial public offering. Without an available liquidity event, the Company may be unable to sell its Equity Investments. As a result, the Company, or Windspeed on behalf of the Company, may not be able to generate gains or receive proceeds from the sale of Equity Investments and the Company's business and financial results may suffer. Additionally, liquidation preferences may continue to be offered by companies in the Company's portfolio to parties willing to lend to such companies. The liquidation preferences have had, and could continue to have, an adverse impact on the value of the Company's Equity Investments. For those Equity Investments without a public trading market, the realizable value of the Company's Equity Investments could prove to be lower than the carrying value currently reflected in the financial statements. The estimated fair market value of the Company's equity securities was determined in consultation with Windspeed based on a variety of factors, including, but not limited to, quoted trading levels for publicly-traded securities, last round valuation for privately held securities, industry and company multiples, industry acceptance in the market place, liquidity discounts due to lock ups, estimated revenue, and customer, product and market share growth by the respective companies in the portfolio. Substantially all of these factors are outside the control of the Company and are subject to significant volatility. There can be no assurance that the Company will be able to realize the estimated fair market value. Furthermore, the current estimated fair market value is subject to significant concentration risk, as of March 31, 2009, 94 percent of the estimated fair market value of the entire portfolio is concentrated in ten individual companies and approximately 70 percent of the estimated amount is in three individual companies.

### ***Uncertainties in Collections and Recoveries***

The Company believes that its collections and recoveries on accounts previously written off could provide future but diminishing cash flows. The amount and timing of such collections and recoveries are dependent upon many factors including any offsets or counterclaims that may be asserted against the Company and the ability of a former lessee or debtor or its respective estate to pay the claim or any portion thereof. Some of these factors are beyond the control of the Company.

### ***The Payment of Dividends and Distributions***

All funds generated from the Company's remaining asset portfolios are required by the Plan to be used to satisfy liabilities of the Company and, to the extent funds are available, to pay dividends on the Company's Common Stock and to make distributions with respect to the CDRs in the manner and priorities set forth in the Plan. Because of the composition and nature of its asset portfolios, the Company expects to generate funds from the sale or run-off of its asset portfolios at a decreasing rate over time. The Company has material restrictions on its ability, and does not expect or intend, to make any significant investments in new or additional assets. Accordingly, the amount of funds potentially available to pay dividends on the Company's Common Stock and to make distributions with respect to the CDRs is limited to the funds in excess of the Company's liabilities that may be generated from the remaining asset portfolios.

### ***The Company Faces a Number of Uncertainties Around the Settlement of Domestic and International Tax Positions***

The Company continues to wind down its domestic and international operations. Prior to a subsidiary being dissolved, the Company may have to obtain tax clearances at the state level domestically and on an international level in the country in which the subsidiary was incorporated. The Company has estimated the amounts for such tax settlements; however, actual settlements could differ from such estimates and will be reflected as adjustments in future financial statements when probable and estimable. In conjunction with the wind down of its operations, the Company has outsourced the domestic and international tax functions to a third party service provider.

### ***Limited Public Market for Common Stock***

There is currently a limited public market for the Company's Common Stock. Holders of the Company's Common Stock may, therefore, have difficulty selling their Common Stock, should they decide to do so. In addition, there can be no assurances that such markets will continue or that any shares of Common Stock which may be purchased may be sold without incurring a loss. Any such market price of the Common Stock may not necessarily bear any relationship to the Company's book value, assets, past operating results, financial condition or any other established criteria of value, and may not be indicative of the market price for the Common Stock in the future. Further, the market price of the Common Stock may be volatile depending on a number of factors, including the status of the Company's business performance, its limited business purpose, industry dynamics, news announcements or changes in general economic conditions.

### ***Limited Public Market for Contingent Distribution Rights***

There is currently a limited public market for the Company's CDRs. Holders of the Company's CDRs may, therefore, have difficulty selling their CDRs, should they decide to do so. In addition, there can be no assurances that such markets will continue or that any CDRs which may be purchased may be sold without incurring a loss. Any such market price of the CDRs may not necessarily bear any relationship to the Company's book value, assets, past operating results, financial condition or any other established criteria of value, and may not be indicative of the market price for the CDRs in the future. Further, the market price of the CDRs may be volatile depending on a number of factors, including the status of the Company's business performance, industry dynamics, news announcements or changes in general economic conditions.

### ***Impact of Interest Rates and Foreign Exchanges Rates***

Increases in interest rates could impact the value of certain of the Company's assets and a strengthening of the US dollar could impact the value of the Company's remaining net foreign assets consisting primarily of tax receivables and tax liabilities, a bank guarantee in the Netherlands and recoveries on three former lease receivables in Europe.

## **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

### **Recent Sales of Unregistered Securities**

None.

### **Repurchases of Common Stock**

The Company does not regularly repurchase shares nor does the Company have a share repurchase plan.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None

**ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

None

**ITEM 5. OTHER INFORMATION**

None

**ITEM 6. EXHIBITS**

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
3.1	Certificate of Incorporation of Registrant dated August 8, 2002 and as Amended August 12, 2004 (Incorporated by reference to Exhibit 3.1 filed with the Company's Annual Report of Form 10-K dated September 30, 2004, as filed with the Commission on December 14, 2004, File No. 0-49968).
3.2	By-Laws of Registrant, adopted as of August 9, 2002 (Incorporated by reference to Exhibit 3.2 filed with the Company's Annual Report of Form 10-K dated September 30, 2002, as filed with the Commission on January 14, 2003, File No. 0-49968)
10.1	Third Amended and Restated Limited Liability Company Agreement of Comdisco Ventures Fund A, LLC, dated as of March 16, 2009, by and among Comdisco, Inc., Windspeed Acquisition Fund GP, LLC and Comdisco Ventures Fund B, LLC (Incorporated by reference to Exhibit 10.1 filed with the Company's Current Report on Form 8-K dated March 19, 2009, as filed with the Commission on March 19, 2009, File No. 0-49968)
11.1	Statement re computation of per share earnings (Filed herewith).
31.1	Certification of Principal Executive Officer and Principal Financial Officer, Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Exchange Act, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Filed herewith).
32.1	Certification of the Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Filed herewith).

## **SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

### **COMDISCO HOLDING COMPANY, INC.**

Dated: May 12, 2009

By: /s/ Randolph I. Thornton

Name: Randolph I. Thornton

Title: Chief Executive Officer and President  
(Principal Financial and Accounting Officer)

**Exhibit 11.1**

**COMDISCO HOLDING COMPANY, INC.**

**COMPUTATION OF EARNINGS/(LOSS) PER COMMON SHARE**

(in thousands except per share data)

Average common shares used in computing earnings (loss) per common and common equivalent share were as follows:

	Three months ended March 31,		Six months ended March 31,	
	2009	2008	2009	2008
Average common shares issued	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>	<u>4,200</u>
Effect of dilutive options	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Average common shares held in treasury	<u>(171)</u>	<u>(171)</u>	<u>(171)</u>	<u>(171)</u>
Total	<u>4,029</u>	<u>4,029</u>	<u>4,029</u>	<u>4,029</u>
Net earnings (loss) to common stockholders	\$ <u>37</u>	\$ <u>1,187</u>	\$ <u>(35)</u>	\$ <u>3,035</u>
Basic and diluted earnings (loss) per common share	\$ <u>0.01</u>	\$ <u>0.29</u>	\$ <u>(0.01)</u>	\$ <u>0.75</u>

**Exhibit 31.1**

**CERTIFICATION**  
**Certification of Principal Executive Officer**  
**AND**  
**Certification of Principal Financial Officer**

I, Randolph I. Thornton, Chief Executive Officer, President and sole officer of the registrant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Comdisco Holding Company, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. As the sole officer of the registrant, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's second fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. As the sole officer of the registrant, I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 12, 2009

By: /s/ Randolph I. Thornton

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Name: Randolph I. Thornton  
Title: Chief Executive Officer and President  
(Principal Financial and Accounting Officer)

**Exhibit 32.1**

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF  
THE SARBANES-OXLEY ACT OF 2002**

In connection with the Form 10-Q of Comdisco Holding Company, Inc. (the "Company") for the period ending March 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signatures that appear in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: May 12, 2009

By: /s/ Randolph I. Thornton

-----  
Name: Randolph I. Thornton

Title: Chief Executive Officer and President

Dated: May 12, 2009

By: /s/ Randolph I. Thornton

-----  
Name: Randolph I. Thornton

Title: Chief Executive Officer and President  
(Principal Financial and Accounting Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.