

**Year Ended September 30, 2006 Overview of Consolidated Financial Results and Performance
(Excerpt)**

October 31, 2006

Overview of Operating Results and Financial Position

(a) Operating Results

Consolidated net sales for the year ended September 30, 2006, advanced 13.7%, or ¥192 million, year over year to ¥1,603 million. By business segment, “Product sales” edged up 4.7% to ¥550 million, “Consultancy sales” jumped 19.3% to ¥1,022 million and “Training sales” rose 9.9% to ¥30 million.

Product sales in the year under review increased ¥24 million from the previous fiscal year. This rise was primarily due to favorable sales of the GFT and CAB aptitude tests used for the recruitment screening of new graduates and the *Kessaibako* internal (employee) assessment tools. Consultancy sales increased ¥165 million, which reflected increased sales of customized Web-based assessment tools for screening new graduates and assessment services to educate employees and promote talented people. Training sales increased ¥2 million, which was primarily attributable to increased revenue from in-house seminars, such as interview training seminars.

Consolidated operating income for the year under review totaled ¥639 million, up 32.3%, or ¥156 million, from a year earlier. This significant increase was owing to a ¥192 million rise in net sales, although the cost of goods sold increased ¥10 million, or 5.1%, to ¥223 million, and selling, general and administrative expenses rose ¥25 million, or 3.6%, to ¥740 million. The increase in cost of goods sold was mainly because the increase in “made-to-order” consultancy sales outweighed the increase in “ready-made” product sales. A leading contributor to the increase in selling, general and administrative expenses was the inclusion of the transfer to provisions for bonuses to directors amounting to ¥37 million, which started with the year under review.

Consolidated ordinary income for the year ended September 30, 2006, jumped 35.4%, or ¥169 million, from the previous year to ¥645 million, resulting from a significant increase in operating income and a year-over-year increase of ¥3 million in non-operating income, as well as a decline of ¥8 million in non-operating expenses. The increase in non-operating income was primarily due to income of ¥4 million as a result of an exemption from consumption and other taxes for consolidated subsidiaries. The decline in non-operating expenses was mainly attributable to the new stock issuing expense for a stock split amounting to ¥4 million being recognized in the previous year.

After taking into account the above factors and income taxes—current and income taxes—

deferred, consolidated net income for the fiscal year ended September 30, 2006, surged 33.1%, or ¥91 million, from the previous year to ¥366 million.

(b) Projected Consolidated Performance for the Year Ending September 30, 2007 (October 1, 2006, through September 30, 2007)

During the year ending September 30, 2007, it is expected that corporations will remain eager to hire as the economic recovery continues. Combined with the expected massive retirement of baby boomer employees starting in 2007, this is expected to encourage investments in recruiting activities and employee education, providing a favorable business environment for the Group.

According to the Group's management indicators for the year ended September 30, 2006, sales of Web-based assessment tools, such as the *Web Aptitude Test*, grew 20% from the previous year, accounting for 43% of total sales; sales from our top 100 customers increased about 16% and now occupy 55% of total sales; and revenue from employee (internal) assessment services advanced 35%, accounting for 15% of total sales. These results show that the expanded introduction of Web-based aptitude tests, the growing size of such tests and an increase of internal assessment services are going successfully as planned.

We believe this tendency will continue throughout the year ending September 30, 2007. Therefore, we intend to boost our business performance by further promoting sales of Web-based and large-scale assessment tools, while diversifying their applications.

As a consequence, net sales of ¥1,815 million (up 13.2% year over year), ordinary income of ¥728 million (up 12.7%) and net income of ¥414 million (up 13.1%) are projected on a consolidated basis for the year ending September 30, 2007.