

Overview of the Interim-Term Financial Results and Performance (Excerpt)

May 1, 2007

Operating Results and Financial Condition

Consolidated net sales for the interim term ended March 31, 2007, advanced ¥15 million, or 2.1% year over year, to ¥741 million. By business segment, “Product sales” increased 7.8% to ¥286 million, “Consultancy sales” edged up 0.5% to ¥440 million and “Training sales” decreased 35.6% to ¥13 million.

Product sales for the interim term under review increased ¥20 million year over year. This rise was primarily due to favorable sales of the GAB and other paper tests for customers through the agency channel. Consultancy sales increased only ¥2 million year over year, reflecting less-than-expected demand for our consulting service at the screening stage for new graduates as leading corporations instead focused recruiting efforts on screening their own target populations to cope with the increasingly sellers’ market for the employment of new graduates. Training sales decreased ¥7 million year over year, which was primarily attributable to the decreased number of interview training seminars held by leading corporations. A principal cause of this reduction is considered the same as above described.

Consolidated operating income for the interim term under review totaled ¥245 million, up 8.1% year over year. Although cost of goods sold increased ¥7 million, or 6.0%, to ¥133 million, operating income increased ¥18 million year over year because selling, general and administrative expenses decreased ¥10 million, or 2.8%, to ¥361 million and net sales increased ¥15 million. The rise in cost of goods sold was mainly attributable to an increase in the number of development staff. A leading contributor to the decline in selling, general and administrative expenses was a year-over-year reduction of ¥11 million in sales promotion expense.

Consolidated ordinary income for the interim term ended March 31, 2007, rose ¥16 million, or 7.2% year over year, to ¥246 million. This mainly resulted from an increase in consolidated operating income despite a year-over-year decline of ¥1 million in non-operating income.

After taking into account the above factors and income taxes—current and income taxes—deferred, consolidated net income for the interim term ended March 31, 2007, increased ¥3 million, or 2.1% year over year, to ¥145 million.

Full-Year Outlook (October 1, 2006, through September 30, 2007)

As the figures for the projected full-year consolidated performance based on the operating results for the interim term ended March 31, 2007, and the projections for the second half (April 1, 2007, through September 30, 2007) are expected to be lower than those previously released, we intend to revise the projected full-year consolidated performance for the year ending September 30, 2007, as shown in the table below.

According to the Group’s management indicators for the interim term ended March 31, 2007, sales from our top 100 customers decreased approximately 6% compared with the corresponding first-half period a year earlier. This negative trend will likely continue in the second half, and consolidated net sales are therefore expected to decrease by ¥134 million, or 7.4%, compared with the projection in the previous release.

According to other management indicators, sales of Web-based assessment tools that require less additional cost of goods sold, such as the *Web Aptitude Test*, grew approximately 14% year over year, accounting for 44% of total sales (compared with about 39% for the corresponding first-half period a year earlier). As a consequence, we anticipate that sales of such tools will partially offset an unavoidable decline in earnings owing to the downward revision of projected net sales,

resulting in a decline in projected consolidated ordinary income of ¥28 million, or 3.9% lower than the previously released figure.

As a consequence, we intend to revise the relevant projections for the year ending September 30, 2007, to ¥1,680 million (up 4.8% year over year) in net sales, to ¥700 million (up 9.5%) in operating income, to ¥700 million (up 8.4%) in ordinary income and to ¥396 million (up 8.2%) in net sales on a consolidated basis.

We do not intend to revise the dividend per share and will distribute an annual dividend per share of ¥5,400 without adjusting the previously released figure.