

Consolidated Financial and Operating Results for the First Quarter, Ended December 31, 2007

January 31, 2008

[Qualitative information, financial statements, etc.]

1. Qualitative information regarding consolidated operating results

Consolidated net sales for the first quarter under review (October 1, 2007, through December 31, 2007) increased ¥14 million, or 6.5% year over year, to ¥233 million. By business segment, ¥78 million was “Product sales” (up 11.4% year over year), ¥151 million was “Consultancy sales” (up 3.4%), and ¥3 million was “Training sales” (up 57.0%).

Product sales for the first quarter under review increased ¥8 million year over year due to favorable sales of the GAB and other paper tests. Consultancy sales advanced ¥4 million year over year, reflecting an increase in sales of customer-specification versions of assessment tools, such as *Tamatebako* and *Customer-specification versions of Paper Test*. Product sales and consultancy sales are both relatively healthy for first quarter, which tends to be work in process period as past first quarters. Training sales increased ¥1 million year over year.

Consolidated operating income for the first quarter under review totaled ¥8 million, turning into the black. This was mainly because net sales increased ¥14 million year over year, although cost of goods sold increased 8.1% to ¥50 million, and selling, general and administrative expenses slightly increased 0.3%, remaining almost flat year over year, to ¥174 million.

Consolidated ordinary income of ¥8 million was recorded for the first quarter under review. This amount was almost the same as that of consolidated operating income because non-operating income and non-operating expenses remained almost flat year over year.

After taking into account the above factors and income taxes—current, consolidated net income for the first quarter, ended December 31, 2007, was ¥3 million.