

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

April 30, 2008

Year ending September 2008

### Overview of Operating Results and Financial Position

#### a. Operating results for the interim term

Consolidated net sales for the interim term ended March 31, 2008, advanced ¥84 million, or 11.4% year over year, to ¥825 million. By business segment, “Product sales” edged down 0.1% to ¥286 million, “Consultancy sales” increased 17.3% to ¥517 million and “Training sales” expanded 64.6% to ¥22 million.

Consultancy sales for the interim term increased ¥76 million year over year, which primarily resulted from aggressive sales of Web-based assessment tools (Internet-related services) that allow customer corporations to considerably reduce their burden in the course of screening target applicants, thereby resulting in favorable sales of customized versions of the “*Web Aptitude Test*.” Meanwhile, product sales for the interim term under review were flat year over year. This sluggishness was primarily attributable to the market conditions in which demand for our product service at the screening stage for new graduates was weak because our customer corporations continued to focus recruiting investment efforts on screening their own target populations in response to the current sellers’ market for the employment of new graduates. Training sales improved ¥8 million year over year.

Consolidated operating income for the interim term under review totaled ¥316 million, up 29.1% year over year. Although cost of goods sold increased ¥2 million, or 2.2%, to ¥136 million and selling, general and administrative expenses increased ¥10 million, or 2.8%, to ¥371 million, operating income increased ¥71 million year over year due to an increase of ¥84 million in net sales. A leading contributor to the rise in selling, general and administrative expenses was a year-over-year increase of ¥26 million in expenses, including personnel expenses due to increases in the number of sales and administration staff, sales promotion expenses and internal control system installation expenses despite a decline of ¥15 million in R&D expenses.

Consolidated ordinary income for the interim term ended March 31, 2008, rose ¥69 million, or 28.1% year over year, to ¥315 million. This reflected a year-over-year increase of ¥1 million in non-operating income and an increase in consolidated operating income, which were partly offset by a year-over-year increase of ¥3 million in non-operating expenses. The rise in non-operating income was attributable to an increase in interest received, whereas the rise in non-operating expenses was mainly due to a ¥3 million loss on investment in capital of a limited liability investment partnership for venture enterprises.

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, 2008, increased ¥40 million, or 27.9% year over year, to ¥186 million.

#### b. Projected performance for the year

During the interim term ended March 31, 2008, the recent trend of a sellers’ market for the employment of new graduates persisted. Although this trend had adverse effects on the Company’s performance, it will likely continue in the second half (April 1, 2008 through September 30, 2008).

In this business environment, we focused our marketing efforts on sales of Internet-related services, such as the *Web Aptitude Test*. As a consequence, in terms of our management indicators, sales of Web-based assessment tools were excellent, accounting for more than 50% of total sales for the first time, and sales activities at the major agencies led to positive results.

As a result, based on the above recognition, for the year ending September 30, 2008, we expect to achieve ¥1,854 million in net sales (up 12.2% year over year), ¥800 million in operating income

(up 13.1%), ¥802 million in ordinary income (up 12.4%) and ¥478 million in net income (up 12.4%), on a consolidated basis.