



Year ending September 2011

Non-consolidated Financial and Operating Results (Excerpt) for the Second Quarter Ended March 31, 2011 (in accordance with the GAAP of Japan)

April 28, 2011

Listed Company Name: SHL-JAPAN Ltd. Registered on Osaka Securities Exchange
Securities Code 4327
URL: <http://www.shl.co.jp/>
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Date to submit the Quarterly Securities Report: May 16, 2011
Date to start distributing dividends: June 1, 2011

1. Qualitative information regarding operating results

For the second quarter of the year ending September 30, 2011 (October 1, 2010, through March 31, 2011), net sales of SHL-JAPAN Ltd. (the “Company”) increased ¥15 million, or 1.7% year over year, to ¥930 million. By business segment, “Product sales” increased 5.9% to ¥355 million and “Consultancy sales” decreased 0.6% to ¥556 million, whereas “Training sales” decreased 6.8% to ¥18 million. After the Great East Japan Earthquake on March 11, 2011, many clients suspended or postponed their schedules for recruiting and selecting new graduates, which delayed our services for job applicant testing and the provision of our Human Assessment Services.* This was a significant factor that reduced net sales during the second quarter under review. Despite such an environment, the Company achieved a slight increase in net sales, which was primarily attributable to favorable sales of the “GAB” in “Product sales.” The “GAB” is used for the screening of new graduates who want to be recruited on the main career track.

Operating income decreased 0.5% year over year to ¥412 million. Despite the increase in revenue during the second quarter under review, the cost of goods sold of ¥114 million (up ¥1 million, or 1.0%, from a year earlier) and selling, general and administrative expenses of ¥403 million (up ¥16 million, or 4.2%, year over year) resulted in operating income declining ¥2 million from a year earlier. The increase in selling, general and administrative expenses was primarily attributable to an increase of ¥23 million in labor costs due to the expansion of sales personnel.

Ordinary income decreased 0.2% from a year earlier to ¥414 million. Non-operating income increased ¥2 million, which was offset by a decrease in operating income, resulting in ordinary income almost at the same level as a year earlier. The increase in non-operating income was mainly due to a ¥2 million gain on investments in a limited liability partnership for venture businesses.

Income before income taxes decreased ¥3 million, or 0.9%, year over year to ¥410 million for the

second quarter under review due to an extraordinary loss of ¥3 million on the retirement of noncurrent assets for office renovation at the head office.

After taking into account the above factors and income taxes—current and income taxes—deferred, net income for the second quarter under review decreased ¥2 million, or 0.9%, from a year earlier to ¥243 million.

*Through our Human Assessment Services, professional trained assessors observe, record, classify and evaluate the examinees' behavior in group discussions or simulated scenes, provide feedback to examinees and submit reports on individuals' talent to the client.

2. Qualitative information regarding business forecasts

Luckily, the direct impact of the Great East Japan Earthquake that occurred on March 11, 2011, on the Company was insignificant. However, unlike other years when the Company's second and third quarters were the peak for our clients recruiting and selecting new graduates, many clients have suspended or postponed their schedule due to the impact of the Great East Japan Earthquake. We anticipate that the period for recruiting and selecting new graduates from among those who graduated in March 2012 will be prolonged.

Despite such an environment, the Company believes that clients' need for services to help them recruit and select new graduates will remain strong. Based on this belief, we will focus on continual customer follow-up activities so that we will not miss any business opportunities. By developing aggressive sales activities, the Company intends to improve business performance.

Under the aforementioned recognition and based on our analyses of the operating results, financial position and other managerial administration data for the second quarter ended March 31, 2011, followed by our careful consideration of business forecasts, the Company is not at this time revising its financial forecasts for the year ending September 30, 2011, which were released on January 31, 2011.

Notes: Of the financial forecasts released on January 31, 2011, net income per share has changed because the delivery date of the Company's own shares that it purchased was determined at a later date, but there is no change in the other forecasts.

*Status of a quarterly review

- This financial summary does not need to undergo a quarterly review under the Financial Instruments and Exchange Act. The quarterly financial statements under the Financial Instruments and Exchange Act have not been reviewed at the time of the announcement of this financial summary.

*Explanations and other special notes concerning the appropriate use of business performance forecasts

- All forecasts in this document are based on various assumptions with information available at this time and therefore involve known and unknown risks and uncertainties. Actual results to differ materially from these forecasts.