

**Non-consolidated Financial and Operating Results (Excerpt) for the Year Ended
September 30, 2011 (in accordance with the GAAP of Japan)**

Oct 28,2011

Listed Company Name: SHL-JAPAN Ltd. Registered on Osaka Securities Exchange
Securities Code 4327
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Scheduled date for the ordinary general meeting of shareholders: December 17, 2011
Scheduled date for commencement of dividend payment: December 19, 2011
Scheduled date for filing the securities report December 21, 2011
The original disclosure in Japanese was released on October 28, 2011 at 14:50 (GMT+9)

(1) Analysis of Operating Results

(Operating results for the year ended September 30, 2011)

During the year ended September 30, 2011 (October 1, 2010, through September 30, 2011), net sales of SHL-JAPAN Ltd. (the “Company”) increased ¥29 million, or 1.7% year over year, to ¥1,753 million. By business segment, “Product sales” advanced 9.9% to ¥716 million, “Consultancy sales” decreased 3.6% to ¥1,003 million and “Training sales” increased 6.7% to ¥33 million.

“Product sales” for the year under review increased ¥64 million year over year. This increase was primarily attributable to favorable sales of the “GAB,” which is used for the screening of new graduates who want to be recruited on the main career track. Meanwhile, “Consultancy sales” decreased ¥37 million year over year. This was primarily attributable to sluggish sales of customized versions of the “*Marksheet Test*,” the Internet screening system “*Tamatebako*,” and our Human Assessment Services,* although sales of customized versions of the “*Web Aptitude Test*,” a Web assessment tool, continued to increase. “Training sales” increased ¥2 million year over year mainly due to an increase in the number of in-house seminars.

Luckily, the direct impact of the Great East Japan Earthquake that occurred on March 11, 2011, on the Company was insignificant. However, as its occurrence overlapped with the peak time for recruiting and selecting new graduates, our services for job applicant testing and the provision of our Human Assessment Services* were delayed in view of the dispersed or prolonged recruiting and selecting activities as many clients suspended or postponed their schedules for recruiting and selecting new graduates who will graduate in March 2012. Nevertheless, the Company achieved a slight increase in net sales. The Company is confident that the increase in revenue for the year under review was mainly attributable to our efforts at incorporating customer feedback through continual

customer follow-up activities focused on corporate customers who suspended or postponed their activities for the screening of new graduates based on the conviction that the long-term needs of corporate customers will not weaken regardless of the short-term impact of the earthquake.

Operating income for the year under review totaled ¥743 million, up 2.3% year over year. Although the cost of goods sold increased ¥2 million, or 1.0%, to ¥211 million and selling, general and administrative expenses increased ¥10 million, or 1.3%, to ¥797 million, operating income for the year advanced ¥16 million year over year due to the increase in net sales. The increase in selling, general and administrative expenses was primarily attributable to an increase of ¥34 million in labor costs due to the expansion of sales personnel despite year-over-year declines in many disbursement items.

Ordinary income for the year under review increased 3.6% year over year to ¥750 million. This ¥26 million increase in ordinary income reflected a year-over-year increase of ¥6 million in non-operating income to ¥8 million and a year-over-year decrease of ¥2 million in non-operating expenses to ¥1 million, in addition to a rise in operating income. The increase in ordinary income was mainly attributable to a ¥6 million gain on investments in a limited liability partnership for venture businesses, which recorded a ¥4 million loss for the previous fiscal year, although ¥1 million in commission for purchase of treasury stock was recorded in non-operating expenses.

Income before income taxes for the year under review totaled ¥747 million, up 4.3% year over year. Income before income taxes increased ¥31 million year over year due to the rise in ordinary income and a year over year decrease of ¥4 million in extraordinary losses to ¥3 million, in addition to an increase in ordinary income. The decline in extraordinary losses, under which an ¥8 million impairment loss was recorded for the previous fiscal year, was mainly attributable to the recording of an extraordinary loss of ¥2 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 year under review increased ¥16 million, or 4.0% year over year, to ¥441 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.

(Projected performance for the year ending September 30, 2012)

Uncertainty in the economic environment has been increasing globally due to such factors as the debt crisis in Europe and the lingering historically high appreciation of the yen. Furthermore, the industry's self-imposed restraint on the screening of new graduates (through which industrial

organizations agree not to start the screening process for new graduates prior to a fixed date in view of the academic schedules for students at universities and colleges) might oblige corporate customers to change their conventional graduate employment plans, which would have an impact on the Company's future operations.

In the aforementioned business climate, however, our customer base has continued to increase over the past several years, considerably exceeding 3,000 in the year under review. Based on the basic recognition that there is still a market to be found, we intend to increase our operating performance through aggressive sales promotion along with efforts to enhance product appeal and reinforce our sales organization.

Taking into account the aforementioned factors, net sales of ¥1,835 million (up 4.7% year over year), operating income of ¥751 million (up 1.0%), ordinary income of ¥751 million (up 0.1%) and net income of ¥442 million (up 0.1%) are projected for the year ending September 30, 2012.

(2) Basic policy regarding profit distribution and dividends for the year ended September 30, 2011, and the year ending September 30, 2012

The Company considers the return of profits to shareholders to be one of its mainstay management tasks. Consequently, the Company intends to maintain a policy of ensuring stable and aggressive profit distribution to shareholders with a benchmark payout ratio of 50% while maintaining an internal reserve for the future reinforcement of its business structure.

Based on the above basic policy, the Company plans to distribute an annual dividend for the year ended September 30, 2011, of ¥7,150 per share, consisting of ¥3,750 per share for the year-end dividend and ¥3,400 per share for the interim dividend. This is a dividend increase of ¥350 (up 5.1%) compared with the previous fiscal year.

At this time, the Company intends to maintain the annual dividend at ¥7,150 per share for the year ending September 30, 2012.

* Presentation of the status of auditing procedures implemented

This financial summary (Financial and Operating Results) is not subject to the auditing procedures under the Financial Instruments and Exchange Act. The auditing procedures for financial statements under the Financial Instruments and Exchange Act have not been completed at the time of the announcement of this financial summary.

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

1. All business forecasts in this financial summary are based on information available at this time and assumptions deemed reasonable by the Company. Actual operating results, etc., could therefore differ materially from such business forecasts depending on a variety of factors. As for the prerequisites for and the precautions regarding the use of business performance forecasts, refer to (1) Analysis of Operating Results (Projected performance for the year ending September 30, 2012) in “1. Operating Results” on page 3 of the Attachment.
2. As the Company’s services are often used for the screening of new graduates to be employed by corporate customers, our sales inevitably involve seasonal fluctuations. In recent years, as sales of our employment screening tools to help Japanese corporations employ new graduates tended to be concentrated in the fourth quarter, during which the relevant screening tools are sold, and in the second and third quarters, during which screening for employment is basically conducted by corporate customers, we have not presented cumulative performance forecasts for the first two quarters.
3. The Company has scheduled a results briefing for institutional investors and analysts on November 1, 2011. Please refer to the IR Information for details of the materials that will be distributed at the session. The materials will also be posted on the Company’s Web site immediately after this meeting.