

**Non-consolidated Financial and Operating Results (Excerpt) for the Year Ended September 30, 2012****(J-GAAP basis)****Oct 25,2012**

Listed Company Name: SHL-JAPAN Ltd. Registered on Osaka Securities Exchange  
Securities Code: 4327 URL:<http://www.shl.co.jp/>  
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Scheduled date for the ordinary general meeting of shareholders: Dec 22,2012  
Scheduled date for commencement of dividend payment: Dec 25,2012  
Scheduled date for filing the securities report: Dec 26,2012  
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**(1) Analysis of Operating Results****(Operating results for the year ended September 30, 2012)**

During the year ended September 30, 2012 (October 1, 2011, through September 30, 2012), net sales of SHL-JAPAN Ltd. (the "Company") increased ¥86 million, or 4.9% year over year, to ¥1,839 million. By business segment, "Product sales" increased 23.0% to ¥880 million, "Consultancy sales" decreased 7.8% to ¥924 million and "Training sales" increased 1.0% to ¥33 million.

Product sales for the year under review increased ¥164 million year over year. This increase was primarily attributable to favorable sales of the "GAB" and the "OPQ," which are used for the screening of new graduates recruited for the main career track. Meanwhile, Consultancy sales decreased ¥78 million year over year. This decrease was primarily attributable to unsatisfactory sales of customized versions of the "Web Aptitude Test," a Web assessment tool, and the "Marksheet Test."

During the year ended September 30, 2012, particularly until the third quarter ended on June 30, 2012 (October 1, 2011 through June 30, 2012), Product sales were favorable due to the firm support by corporate customers for our easy-to-implement products following the shortened period for recruiting and screening due to the adoption of the industry's self-imposed controls on the screening of new graduates (under which industry groups agreed not to start the screening process and recruitment-related PR activity for new graduates prior to a fixed date in light of academic schedules). Meanwhile, net sales of the Company for the fourth quarter (July 1, 2012, through September 30, 2012) were low, decreasing ¥59 million year over year to ¥373 million. The Company's fourth quarter falls under the period on which sales of screening tools for the coming year's new graduates are concentrated. Regarding the fourth quarter of the year ended September 2012, Consultancy sales decreased because sales of screening tools for next year's new graduates were affected by the industry's self-imposed controls on the screening of new graduates including the postponement of the sales period.

Operating income for the year under review increased 4.2% year over year to ¥774 million. Although the cost of goods sold increased by ¥26 million, or 12.3% year over year, to ¥237 million, and selling, general

and administrative expenses increased by ¥28 million, or 3.6%, to ¥826 million, operating income for the year increased by ¥30 million year over year due to the increase in revenue. The increase in the cost of goods sold reflected such factors as the year-over-year increase of ¥7 million in labor costs inclusive of temporary bonuses, numerous deliveries of our products ordered and the increased amortization for the current version of “*Master*” in association with the completion of the new version of “*Master*.” The increase in selling, general and administrative expenses was attributable to an increase of ¥31 million in personnel expenses mainly due to the expansion of sales personnel workforce and the granting of temporary bonuses despite year-over-year declines in many disbursement categories.

Ordinary income for the year under review increased by 3.6% year over year to ¥777 million. This ¥27 million increase in ordinary income reflected a year-over-year rise in operating income. Non-operating income decreased ¥5 million to ¥2 million, and non-operating expenses decreased ¥1 million year over year. The decrease in non-operating income was mainly due to a decline of ¥4 million year over year in gains on investments in a limited liability partnership for venture businesses. The decline in non-operating expenses was mainly attributable to ¥1 million in commissions for the purchase of treasury stock that had been recorded for the previous fiscal year.

Income before income taxes for the year under review totaled ¥764 million, up 2.3% year over year. Income before income taxes increased ¥17 million year over year mainly due to increased ordinary income despite extraordinary losses of ¥14 million, a year-over-year increase of ¥11 million, which was partly offset by extraordinary gains of ¥1 million, a year-over-year increase of ¥1 million. The extraordinary gains corresponded to a ¥1 million gain on sales of investments in securities, whereas the extraordinary losses mainly corresponded to a ¥10 million loss on sales of golf club memberships and a ¥3 million on impairment loss.

After taking into account the above factors and income taxes-current and income taxes-deferred, net income for the year under review decreased ¥2 million, or 0.6% year over year, to ¥439 million.

(2) Basic policy regarding profit distribution and dividends for the year ended September 30, 2012, and the year ending September 30, 2013

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 proactive profit distribution to shareholders with a benchmark payout ratio of 50% while maintaining an internal reserve for the future reinforcement of its business structure. The Company will celebrate its 25th anniversary on December 22, 2012. We appreciate the support and guidance of our stakeholders including shareholders and the customers who utilize our services.

In line with this policy, the Company plans to distribute an annual dividend per share of ¥8,575 for the year ended September 30, 2012, consisting of ¥5,000 per share for the year-end dividend and ¥3,575 per share for the interim dividend. The ¥5,000 per share year-end dividend will be composed of a ¥3,575 ordinary dividend per share and a ¥1,425 commemorative dividend per share. This is a dividend increase of ¥1,425 (up 19.9%)

compared with the previous fiscal year.

At this time, the Company intends to increase the annual dividend per share for the year ending September 30, 2013, to ¥7,400, up ¥250 from ¥7,150 annual ordinary dividend per share for the year under review.

\* 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

- 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 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 have 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.

- The Company has scheduled a results briefing for institutional investors and analysts on November 1, 2012. 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.

URL: <http://www.shl.ne.jp/ir/index.asp>