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To All Parties Concerned:

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**Preliminary Announcement of Revised Consolidated and Parent Outlook
for the Fiscal 2002 Interim Period, Ending in September**

We hereby inform you that the outlooks for the fiscal year ending September 2002 (for the period between October 1, 2001 and September 30, 2002), which were reported in the *Brief Report on Consolidated Business Results for the Term Ended September 2001* and the *Summary of Financial Statements (Individual) for the Term Ended September 2001* have been revised as follows.

1. Revisions of the Consolidated Business Outlook for the Fiscal Year Ending September 2002

(1) Interim Period (October 1, 2001 to March 31, 2001)

(¥ Million)

	Net Sales	Ordinary Income	Interim Net Income
Previous Projection (A)	12,400	640	260
New Projection (B)	12,338	854	272
Increase or Decrease (B – A)	-62	+214	+12
% Change	-0.5%	+33.4%	+4.61%

(2) Reasons for Revisions

Net sales of Fullcast Co., Ltd., the parent company, remained lackluster throughout the period as net sales declined ¥776 million on a year-on-year basis (a drop of 9.4% year on year), but this was offset by the performance of one of the parent company's subsidiaries, Fullcast Factory, which posted robust sales of ¥2,274 million, which is 22.2% (¥413 million) above the projection and marks a year-on-year increase of 46.6% or ¥723 million. The performance of Fullcast Factory significantly exceeded the expectation and is expected to lessen the impact of the parent company's performance, to the extent that net income on a consolidated basis will be ¥12,338 million (or only ¥62 million less than the original outlook).

Ordinary income is expected to reach ¥854 million, or ¥214 million higher than the projection as a result of corporate streamlining measures, which effectively limited selling, general and administrative (SG&A) expenses, while the gross margin remained roughly in line with the expectation.

Net income for the interim period is projected at ¥272 million (or ¥12 million higher than the original forecast) with extraordinary profit of ¥44 million derived from the reserve for retirement benefits for company directors and allowance for bad debt, combined with extraordinary losses amounting to ¥205 million, inclusive of an appraisal loss on marketable securities of ¥73 million and a lump-sum write-off of ¥129 million, which represents the variance stemming from changes in accounting principles from the simplified method to the method based on general rules for the computation of retirement benefit liabilities.

(3) Entire Fiscal Year (October 31, 2001 to September 30, 2002)

(¥ Million)

	Net Sales	Ordinary Income	Interim Net Income
Previous Projection (A)	27,000	2,000	900

The outlook for the entire fiscal year is currently under review for the following reasons, and if any revision is made, it will be reported along with the *Brief Report on Business Results* of May 17, 2002, which will outline the business results of the interim period for fiscal 2002.

The outlook is under review for the following reasons.

- a. Net sales from the Spot Business are recovering at a slower-than-expected pace.
- b. Net sales from the Factory Business are growing at a better-than-projected rate.
- c. Net sales from the Technical Business are growing at a slower-than-expected pace.

(4) Reference: Business Results of the Prior Fiscal Term (October 1, 2000 to September 30, 2001)
(Actual)

(¥ Million)

	Net Sales	Ordinary Income	Interim Net Income
Interim Period (October 1 to March 31)	12,382	1,181	702
Entire Year (October 1 to September 30)	23,925	1,764	941

2. Revisions of the Parent Company's Business Outlook for the Fiscal Year Ending September 2002

(1) Interim Period (October 1, 2001 to March 31, 2002)

(¥ Million)

	Net Sales	Ordinary Income	Interim Net Income
Previous Projection (A)	7,400	400	160
Revised Projection (B)	7,448	672	246
Increase or Decrease (B – A)	+48	+272	+86
% Change	+0.6%	+68.0%	+53.7%

(2) Reasons for Revisions

Net sales declined beginning in the summer of 2001, but the slowdown seems to have finally halted during the interim period. As a result, net sales are expected to reach ¥7,448 million, roughly in line with the Company's projection, with a slight upward bias of ¥48 million compared with the projection.

Ordinary income will be ¥672 million, or ¥272 million higher than the projection. The gross margin, which was anticipated to be significantly lower than that of the previous year, turned out to be better than the forecast. In addition, better utilization of system infrastructure including networks contributed to significant reductions in SG&A expenses, especially in the area of personnel recruitment costs.

Net income for the interim period is projected at ¥246 million (or ¥86 million higher than the previous forecast) with extraordinary profit of ¥67 million derived from the reserve for retirement benefits for company directors and allowance for bad debt, combined with extraordinary losses amounting to ¥156 million, inclusive of an appraisal loss on marketable securities of ¥73 million and a lump-sum write-off of ¥80 million, which represents the variance stemming from changes in accounting principles from the simplified method to the method based on general rules for the computation of retirement benefit liabilities.

(3) For the Entire Fiscal Year (October 31, 2001 to September 30, 2002)

(¥ Million)

	Net Sales	Ordinary Income	Interim Net Income
Previous Projection (A)	16,000	1,330	590

The outlook for the entire fiscal year is currently under review as a result of a slower-than-expected business recovery. If any revision is made, it will be reported along with the *Brief Report on Business Results* of May 17, 2002, which will outline business results of the interim period for fiscal 2002.

(4) Reference: Business Results of the Prior Fiscal Term (October 1, 2000 to September 30, 2001)

(Actual)

(¥ Million)

	Net Sales	Ordinary Income	Interim Net Income

Interim Period (October 1 to March 31)	8,224	835	366
Entire Year (October 1 to September 30)	15,077	1,239	482

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