

JASDAQ
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To All Concerned Parties

Company Name: Fullcast Co., Ltd.
President: Takehito Hirano, President & CEO
Code Number: 4848 (JASDAQ)
Inquiries: Yutaka Kubota, Manager, Corporate Planning Department
Tel: (03) 3780-9500

Revised Outlook (Consolidated and Company) for the Fiscal Year
Ending September 30, 2002

Fullcast Co., Ltd. (“Fullcast”) has made the following revisions to the operating results outlook for the fiscal year ending September 2002 (October 1, 2001 – September 30, 2002) that was included in the Company’s Summary of Consolidated Interim Period Operating Results and the Summary of Non-consolidated Interim Period Operating Results for the Fiscal Year Ending September 30, 2002, which were released on May 17, 2002.

1. Fiscal year ending September 2002

Revisions to the consolidated outlook for the full-year

(1) Full year (October 1, 2001 – September 30, 2002)

		Net sales	Current income	Net income
		(¥ million)	(¥ million)	(¥ million)
Prior outlook	(A)	27,000	2,000	900
Current outlook	(B)	26,500	1,450	300
Change	(B – A)	– 500	– 550	– 600
Percentage change		– 1.8%	– 27.5%	– 66.6%

(2) Reasons for the revisions

Fullcast's Factory Business continues to show excellent results compared to the prior outlook. Nevertheless, the Company has been unable to maintain the level of orders it anticipated when preparing the previous outlook, and has revised its net sales outlook to ¥26,500 million, ¥500 million less than previously projected.

During the fiscal year, Fullcast was able to substantially reduce selling, general and administrative expenses through measures to increase operating efficiency, even as it added six new offices. The Company was unable to offset lower gross profit, however, because the declines in gross margin and the percentage of Fullcast Group net sales generated by Fullcast were larger than the decreases in the prior outlook. As a result, Fullcast reduced its current income outlook by ¥550 million to ¥1,450 million.

In order to establish business alliances, Fullcast invested in the securities of a number of other firms. Because operating results of its alliance partners have been weakened by Japan's prolonged economic slump, however, the Company deemed it prudent to recognize ¥260 million in valuation losses on its investments. Together with the factors described above, this will reduce Fullcast's net income outlook by ¥600 million from the previous outlook to ¥300 million.

(Reference) Revised outlook compared with prior fiscal year operating results

	Net sales	Current income	Net income
	(¥ million)	(¥ million)	(¥ million)
Prior fiscal year (Ended Sept. 2001)	23,925	1,764	941
Current fiscal year (Ending Sept. 2002)	26,500	1,450	300
Change	2,574	- 314	- 641
Percentage change	10.7%	- 17.8%	- 68.1%

2. Fiscal year ending September 30, 2002

Revisions to the Company's outlook for the full-year

(1) Full year (October 1, 2001 – September 30, 2002)

	Net sales	Current income	Net income
	(¥ million)	(¥ million)	(¥ million)
Prior outlook (A)	16,000	1,330	590
Current outlook (B)	15,000	1,150	200
Change (B – A)	- 1,000	- 180	- 390
Percentage change	- 6.2%	- 13.5%	- 66.1%

(2) Reasons for the revisions

During the fiscal year, Fullcast considered expansion of market share a top priority and sought to expand the volume of orders obtained, by revising fees the Company had strategically set at high levels so they reflect market conditions. Despite indications of a recovery in some orders, however, the number of orders obtained did not expand to the extent previously projected because the manufacturing and distribution industries remain in the grip of severe business downturn. The Company therefore adjusted its outlook downward by ¥1,000 million from the prior outlook level, to ¥15,000 million.

Beginning with recruiting expenses, Fullcast cut selling, general and administrative expenses as a result of promoting the use of system infrastructure such as networks. The decline in gross profit margin was greater than in the initial projection, however, and the Company has lowered its current income outlook by ¥180 million from level of the prior outlook, to ¥1,150 million.

The Company's revised outlook for fiscal year net income is ¥200 million. This is ¥390 million less than in the prior outlook and reflects a valuation loss of ¥260 million on investment securities.

(Reference) Revised outlook compared with prior fiscal year operating results

	Net sales	Current income	Net income
	(¥ million)	(¥ million)	(¥ million)
Prior fiscal year (Ended Sept. 2001)	15,077	1,239	482
Current fiscal year (Ending Sept. 2002)	15,000	1,150	200
Change	- 77	- 89	- 282
Percentage change	- 0.5%	-7.2%	- 58.5%

End