

August 8, 2005

Company name: Fullcast Co., Ltd.
President and CEO: Takehito Hirano
(Stock code: 4848; Stock Exchange listing: First Section of the Tokyo Stock Exchange)
Contact: Yutaka Kubo, Director and Corporate Executive Officer,
General Manager of Group Strategy Headquarters
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To whom it may concern:

Merger of Consolidated Subsidiaries

This is to notify you that Fullcast Co., Ltd. decided to merge its consolidated subsidiaries, i.e., Human Resources Institute, Inc. and Fullcast Office Support Co., Ltd., effective on October 1, 2005 in the board of directors meeting held on August 8, 2005.

Details

1. The purpose of the merger

The Fullcast Group aims to expand operations to improve human resources outsourcing services and further bolster management practices under the motto of offering “one-stop total solutions” to meet every single need for outsourced manpower.

Our consolidated subsidiaries, including Human Resources Institute, Inc. and Fullcast Office Support Co., Ltd., have offered temporary clerical personnel (white-collar workers) services to date, respectively.

We reached the conclusion that we will be able to increase operational efficiency, improve services for client companies and promote efforts to strengthen the business further by consolidating the respective companies’ functions through a merger.

2. Summary of the merger

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| (1) Schedule for the merger | |
| Wednesday, August 10, 2005 | Board of directors meeting to approve and sign the agreement on the merger |
| Thursday, August 25, 2005 | Extraordinary shareholders meeting to approve the agreement on the merger |
| Saturday, October 1, 2005 | Effective date of the merger |
| Monday, October 3, 2005 | Registration of the merger |
| (2) How to merge the companies | Fullcast Office Support will be dissolved and taken over by Human Resources Institute, Inc. |
| (3) Merger ratio | Since the two companies subject to the merger are both wholly owned companies, there are no arrangements as to merger ratio. In addition, no new shares are to be issued through this merger. |
| (4) Delivered money due to merger | There will be no payment of cash for the merger. |
| (5) Additional capital | None |

3. Summary of the subsidiaries to be merged

(1) Trade name	Human Resources Institute, Inc. (to survive)	Fullcast Office Support Co., Ltd. (to be dissolved)
(2) Description of business	General temporary staffing service, outplacement service, placement service	General temporary staffing service, placement service
(3) Location of head office	9th fl. Kyoritsu Bldg., 4-5 2-chome Idabashi, Chiyoda Ward, Tokyo	Fullcast Bldg. 2-6 Sakuragaoka-cho, Shibuya Ward, Tokyo
(4) Representative	Kazuki Sakamaki President and Representative Director	Kenji Miyoshi President and Representative Director
(5) Capital	480 million yen	90 million yen
(6) Shareholder composition	100% Fullcast	100% Fullcast
(7) Number of employees	46 (as of June 30, 2005)	33 (as of June 30, 2005)
(8) Net sales	2,724 million yen (for the fiscal year ended March 2005)*	1,833 million yen (for the fiscal year ended September 2004)

*The fiscal term was changed to September to match Fullcast Group's fiscal term in an extraordinary shareholders meeting held on April 1, 2005.

4. State after the merger

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|-----------------------------|---|
| (1) Trade name: | Fullcast HR Institute Co., Ltd. |
| (2) Description of business | General temporary staffing service, outplacement service, placement service |
| (3) Location of head office | 9th fl. Kyoritsu Bldg., 4-5 2-chome Idabashi, Chiyoda Ward, Tokyo |
| (4) Representative | Kazuki Sakamaki
President and Representative Director |
| (5) Capital | 480 million yen |
| (6) Shareholder composition | 100% Fullcast |
| (7) Fiscal term | September 30 |

5. Impact on the future operating results

This merger is the one between one Fullcast's consolidated subsidiary and another; thus, will have no impact on the future operating results of the company.

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