

FULLCAST HOLDINGS

Business Results for the 3rd Quarter of the Fiscal Year Ending September 2010

August 6, 2010



Agenda

- ◆ **Business Highlights of the 3rd Quarter (Apr.-Jun. 2010)**
- ◆ Results by Business Segment (Apr.-Jun. 2010)
- ◆ FY2010 Earnings Plan

■ Earnings results 3Q/FY2010 (3 Months)

Unit: Million yen

	3Q FY2009	3Q FY2010	Changes
Net sales	12,107	8,695	-28.2%
GP	2,521	2,117	-16.0%
SG&A	2,794	1,924	-31.1%
OP	-273	194	—
OP (%)	-2.3%	2.2%	—
RP	-367	179	—
NP	-2,943	-50	—
Capital Investment	33	24	

◆ Cancelling out the impact of the sale of our subsidiary, our consolidated sales would have fallen by 8.2% year-over-year and our operating income would have risen by ¥387 million from the operating loss of ¥194 million during the same period of the previous year.

All shares of the following companies were transferred as follows: Asia Pacific System Research Co., Ltd. and its three consolidated subsidiaries: first quarter of FY9/09, Info-P Co., Ltd.: second quarter of FY9/09, Fullcast Finance Co., Ltd., Fullcast Factory Co., Ltd. and FullcastCentral Co., Ltd.: third quarter of FY9/09, Net It works, Inc.: fourth quarter of FY9/09.

■ Earnings results 3Q/FY2010 (9 Months)

Unit: Million yen

	3Q FY2009	3Q FY2010	Changes
Net sales	46,871	26,730	-43.0%
GP	10,451	6,378	-39.0%
SG&A	11,320	5,769	-49.0%
OP	-869	608	—
OP (%)	-1.9%	2.3%	—
RP	-1,053	541	—
NP	-5,724	-266	—
Capital Investment	183	55	

◆ Cancelling out the impact of the sale of our subsidiary, our consolidated sales would have fallen by 15.0% year-over-year and our operating income would have risen by ¥1,605 million from the operating loss of ¥996 million during the previous term.

All shares of the following companies were transferred as follows: Asia Pacific System Research Co., Ltd. and its three consolidated subsidiaries: first quarter of FY9/09, Info-P Co., Ltd.: second quarter of FY9/09, Fullcast Finance Co., Ltd., Fullcast Factory Co., Ltd. and FullcastCentral Co., Ltd.: third quarter of FY9/09, Net It works, Inc.: fourth quarter of FY9/09.

■ Summary of extraordinary income or loss 3Q/FY2010 (3 Months)

	Unit: Million yen
Gain on sales of subsidiaries and affiliates' stocks	70
Government subsidy received	40
Reversal of allowance for doubtful accounts	6
Other	0
Extraordinary income	117
Head office transfer cost	150
Loss on closing of stores	75
Allowance for employment adjustment	45
Impairment loss (Goodwill)	23
Other	3
Extraordinary loss	296
Extraordinary income or loss	-179

■ Status of Balance Sheet

Unit: Million yen

		As of Sep.30 2009	As of Jun.30 2010	Increase and decrease	Comparison of changes	Key points in changes
Current assets		10,157	9,091	-1,066	-10.5%	Cash and deposits decreased by ¥166 million Notes and accounts receivable-trade decreased by ¥141 million Other current assets decreased by ¥676 million
Fixed assets	Tangible assets and Intangible assets	727	538	-189	-26.0%	Software decreased by ¥165 million, etc.
	Investment and other assets	2,187	1,107	-1,080	-49.4%	Loss on revaluation of investments securities and decrease in insurance funds, etc.
Total assets		13,072	10,737	-2,336	-17.9%	

Current liabilities		8,432	7,568	-864	-10.2%	Decrease in accrued consumption taxes and Provision for bonuses, etc.
Fixed liabilities		2,915	1,588	-1,329	-45.5%	Long-term loans decreased by ¥1,390 million, etc.
Total net assets		1,724	1,581	-143	-8.3%	
Liabilities and net assets		13,072	10,737	-2,336	-17.9%	

■ Status of Cash Flows

Unit: Million yen

	1Q FY2010	2Q FY2010	3Q FY2010
Operating cash flows	-79	468	807
Investing cash flows	-129	72	261
Financing cash flows	-480	-569	-517
Cash and cash equivalents end of period	4,227	4,197	4,748
Free cash flows	-207	540	1,068

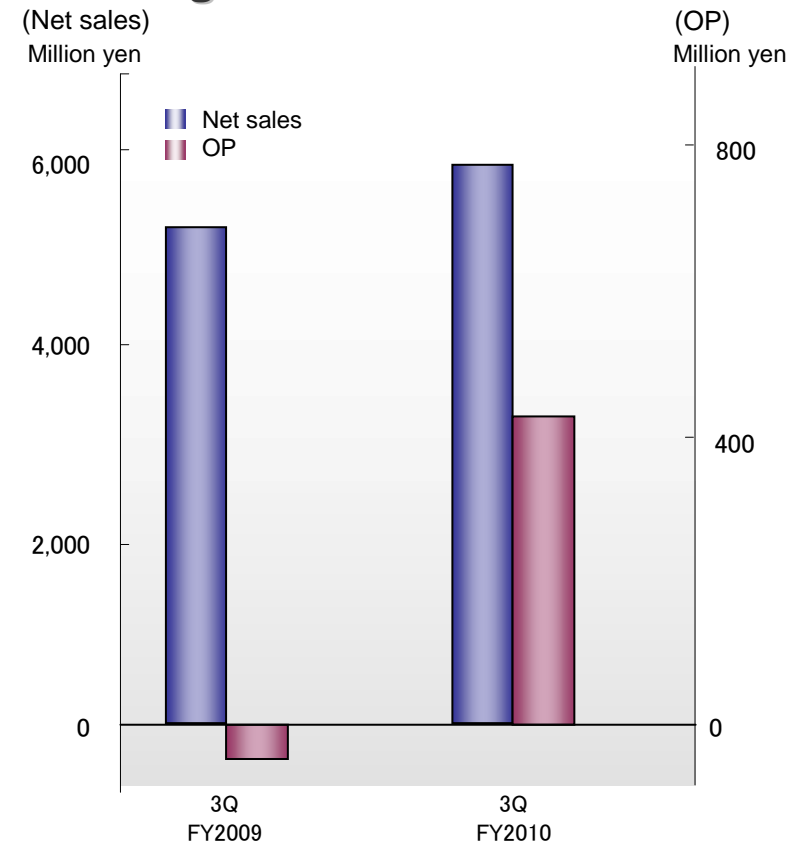
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- ◆ Business Highlights of the 3rd Quarter (Apr.-Jun. 2010)
- ◆ **Results by Business Segment (Apr.-Jun. 2010)**
- ◆ FY2010 Earnings Plan

■ Short-term operational support business: Earnings overview

Unit: Million yen

	3Q FY2009	3Q FY2010	Changes
Net sales	5,052	5,709	13.0%
OP	-49	420	-
OP(%)	-1.0%	7.4%	-



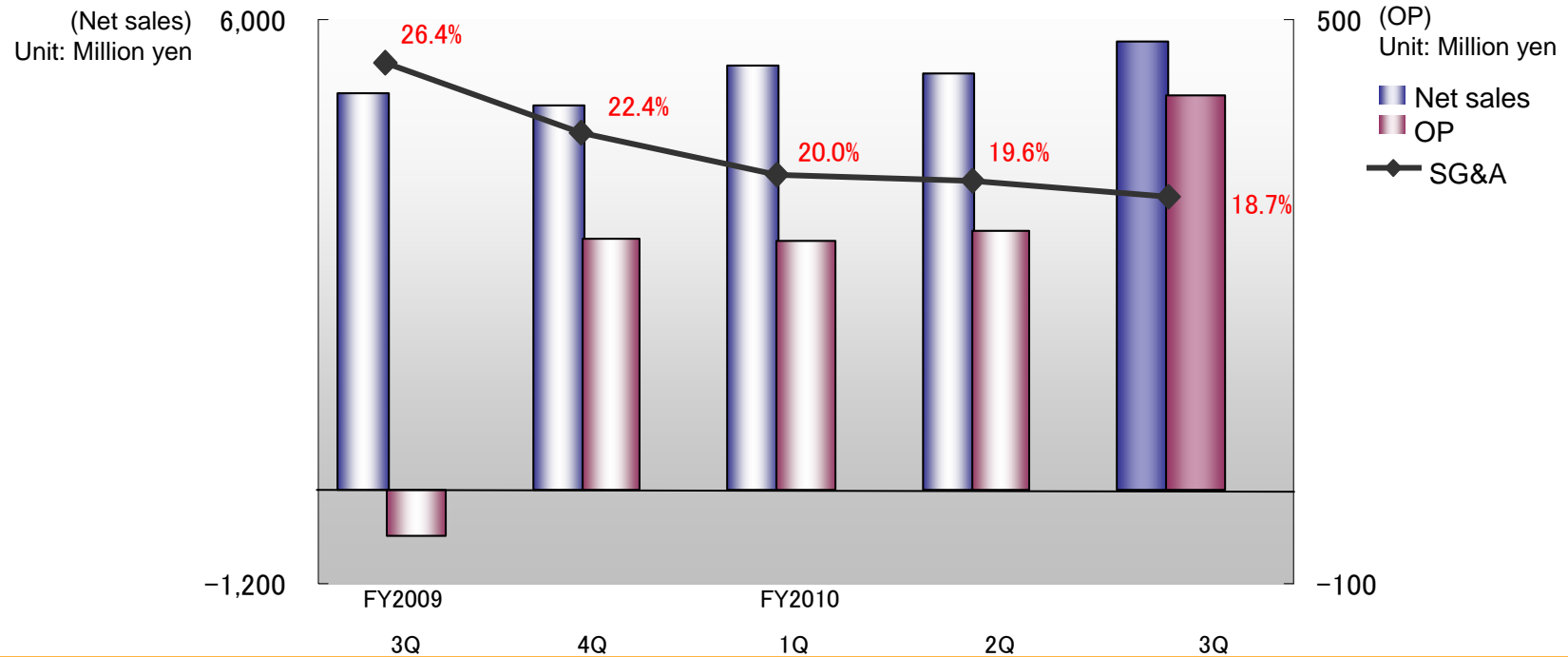
- ◆ Achieved year on year increase in income through the successful sales strategy that emphasized development centered on the expansion of customer contact points and other areas
- ◆ We achieved operating income on the back of restructuring carried out in the previous consolidated fiscal year

Along with the change in our business segment during the first quarter of the current fiscal year, we began recording office related human resources services that were included in the "office business" of our office dispatched human resources division in our short-term operational support business as of the fiscal year September 2009.

■ Short-term operational support business: Trend in quarterly earnings

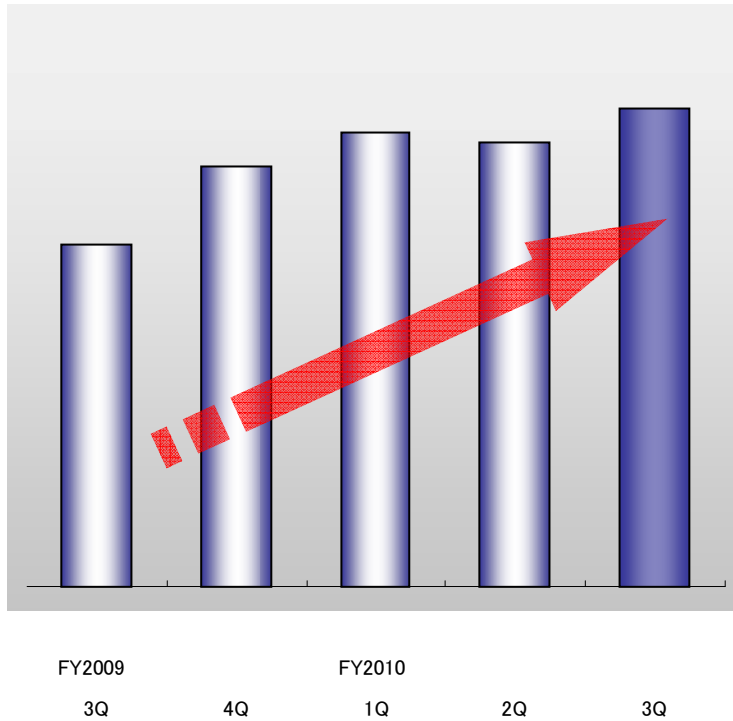
Unit: Million yen

	FY2009		FY2010		
	3Q	4Q	1Q	2Q	3Q
Net sales	5,052	4,894	5,421	5,316	5,709
OP	-49	267	264	276	420
OP(%)	-1.0%	5.4%	4.9%	5.2%	7.4%

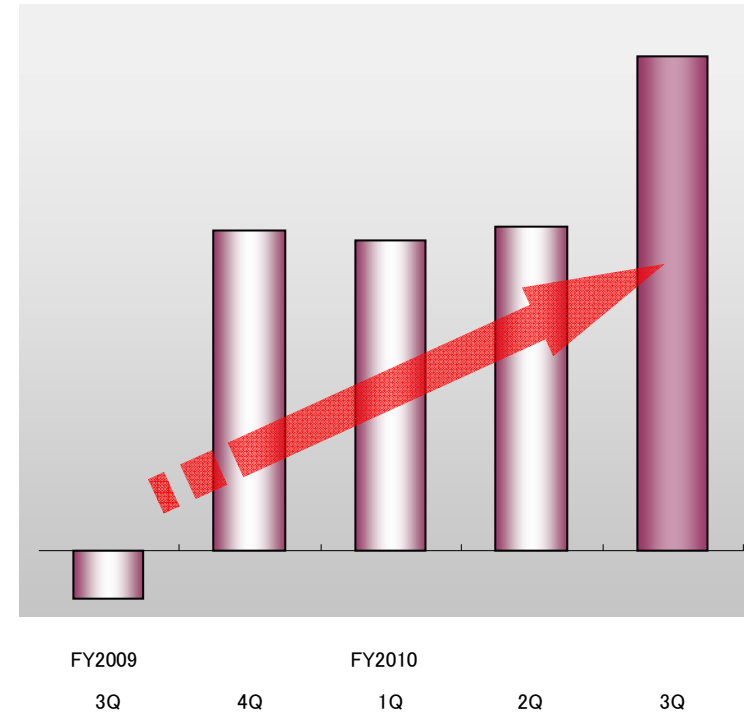


■ Short-term operational support business: Trend in productivity

Sales/Labor cost/yen

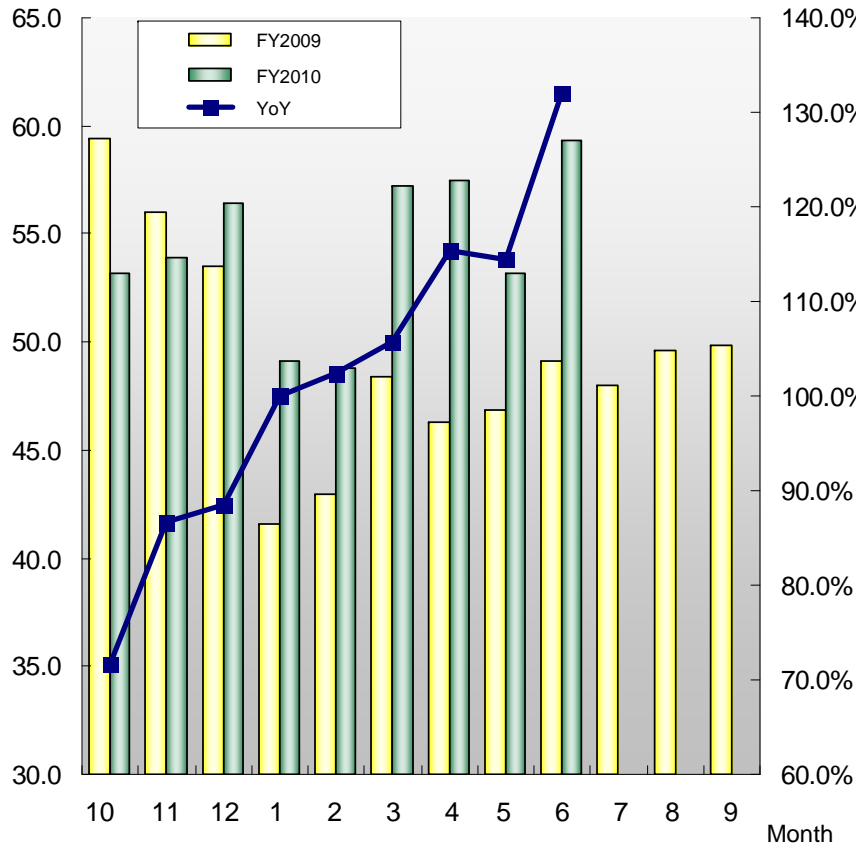


OP/Labor cost/yen

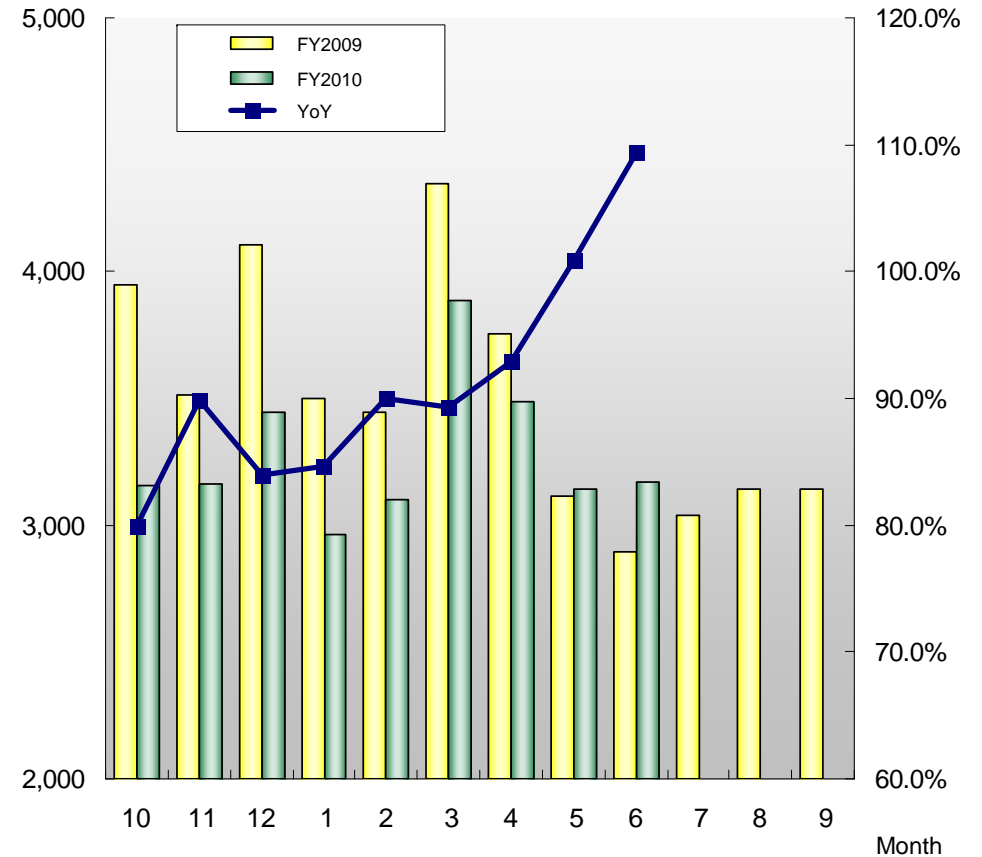


■ Short-term operational support business: Bigger share

Operating workers /Customer



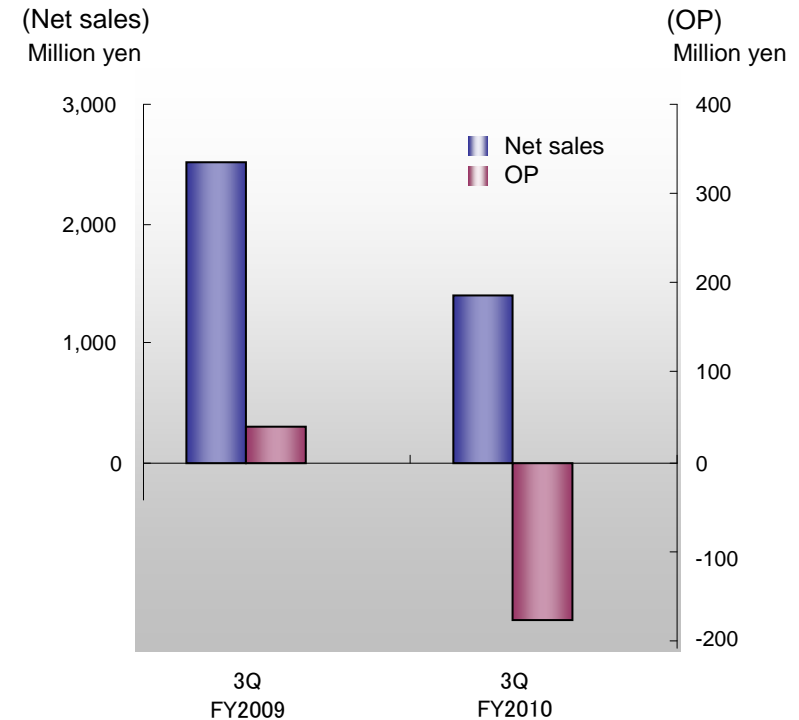
Operating customers



■ Sales support business: Earnings overview

Unit: Million yen

	3Q FY2009	3Q FY2010	Changes
Net sales	2,512	1,392	-44.6%
OP	41	-176	-
OP(%)	1.6%	-12.7%	-



- ◆ Net sales decreased due to consolidation and reduction of offices and withdrawal from several business sectors through restructuring
- ◆ Lower sales compounded by restructuring and resulted in an operating loss

Along with the change in our business segment during the first quarter of the current fiscal year, we began recording office related human resources services that were included in the “office business” of our office dispatched human resources division in our “Short Term Operational Support Business” as of the fiscal year September 2009.

■ Sales support business: Progress on restructuring plans

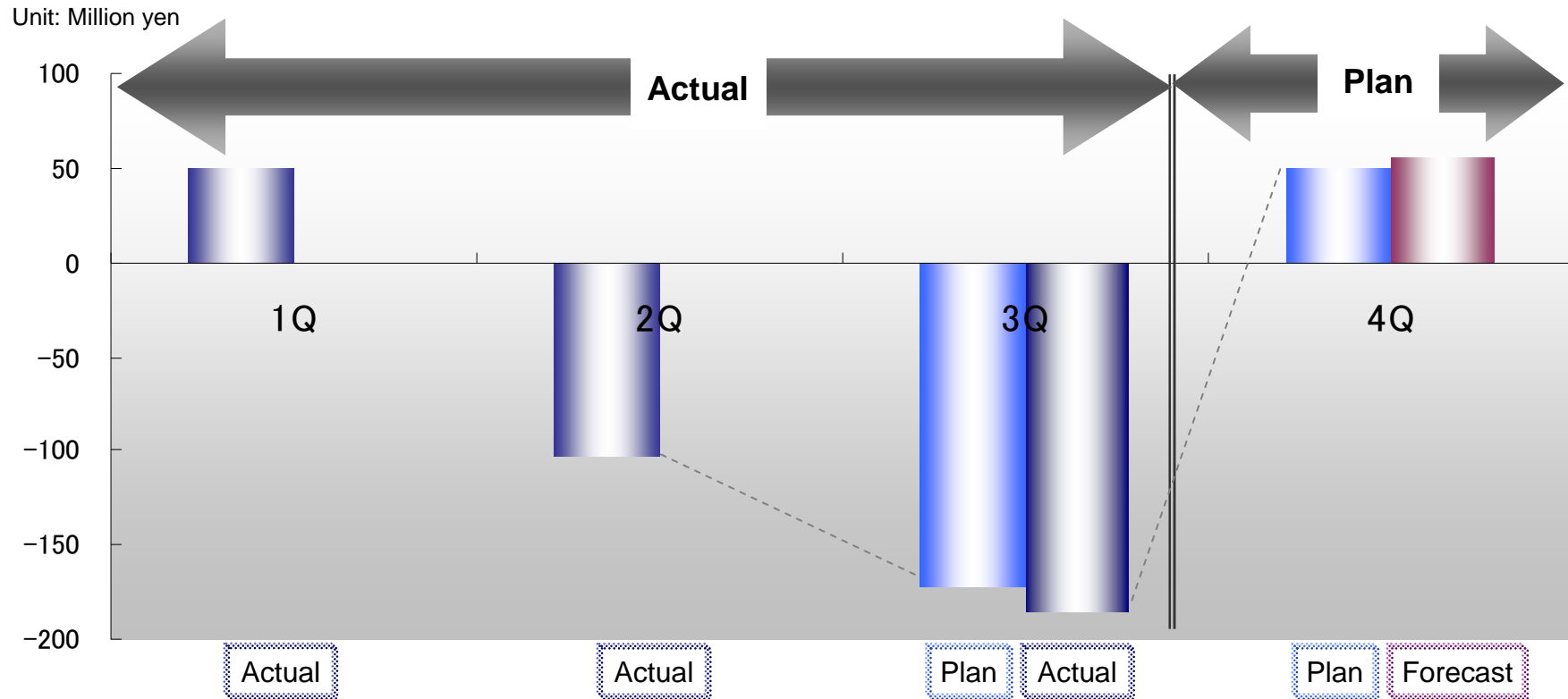
[2Q FY2010 Financial Report Disclosed Data]	[Plan]	[Forecast]
[Improve gross profits by reviewing equipment handled] Withdraw from equipment with low gross margins	<u>28 mil. yen/mth</u>	<u>4 mil. yen/mth</u>
[Cutbacks in manpower] ··· labor cost 137 people → 96 people [Scrap-and-Build] ··· rent account Call-Center 8 → 3 Branches Reduce the scale of the former Osaka headquarters (FCM) Close the Nagoya branch (FCM) Withdrawal; Asahikawa branch (MS) [Cut other expenses] Promotional Cost, etc. Sub-total	<u>22 mil. yen/mth</u>	<u>48 mil. yen/mth</u>
Amount of improvement in earnings	<u>51 mil. yen/mth</u>	<u>53 mil. yen/mth</u>

* The amount was calculated based on the average budget per month for the fourth quarter, and the (average) results for the second quarter per month.

- ◆ The improvement in gross profit is less than planned, but the improved earnings are expected to be higher than planned due to continued reductions of selling, general and administrative expenses.

■ Sales support business: Plan for operating income

Operating income



◆ We expect to achieve our planned fourth quarter operating income.

■ Technician dispatch business: Earnings overview

Unit: Million yen

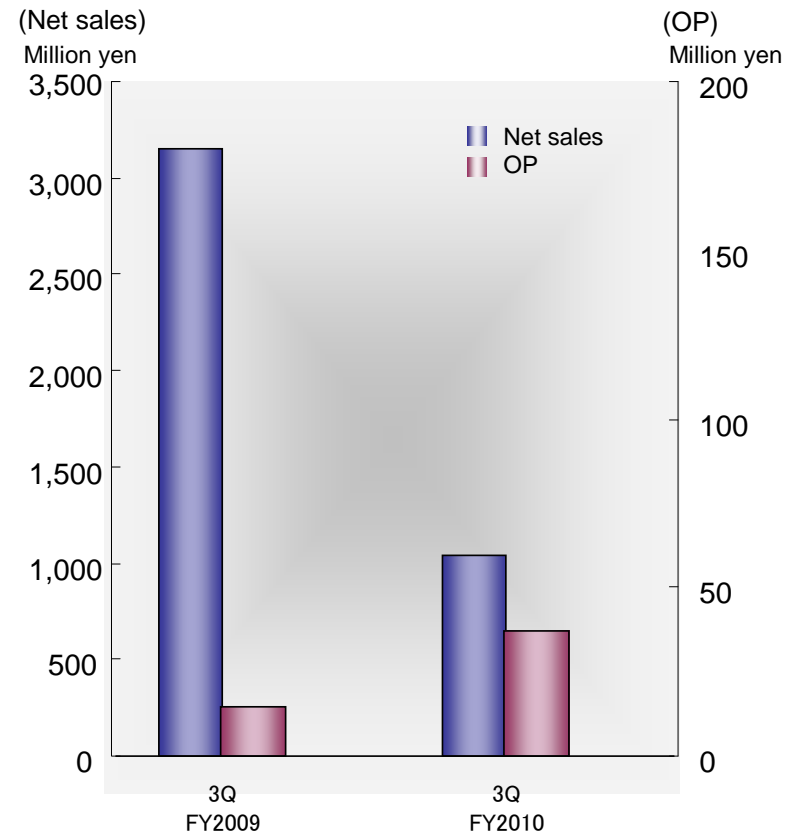
	3Q FY2009	3Q FY2010	Changes
Net sales	3,150	1,039	-67.0%
OP	14	37	156.2%
OP(%)	0.5%	3.6%	-

【Earnings comparison, excluding the impact of a subsidiary transfer】

Unit: Million yen

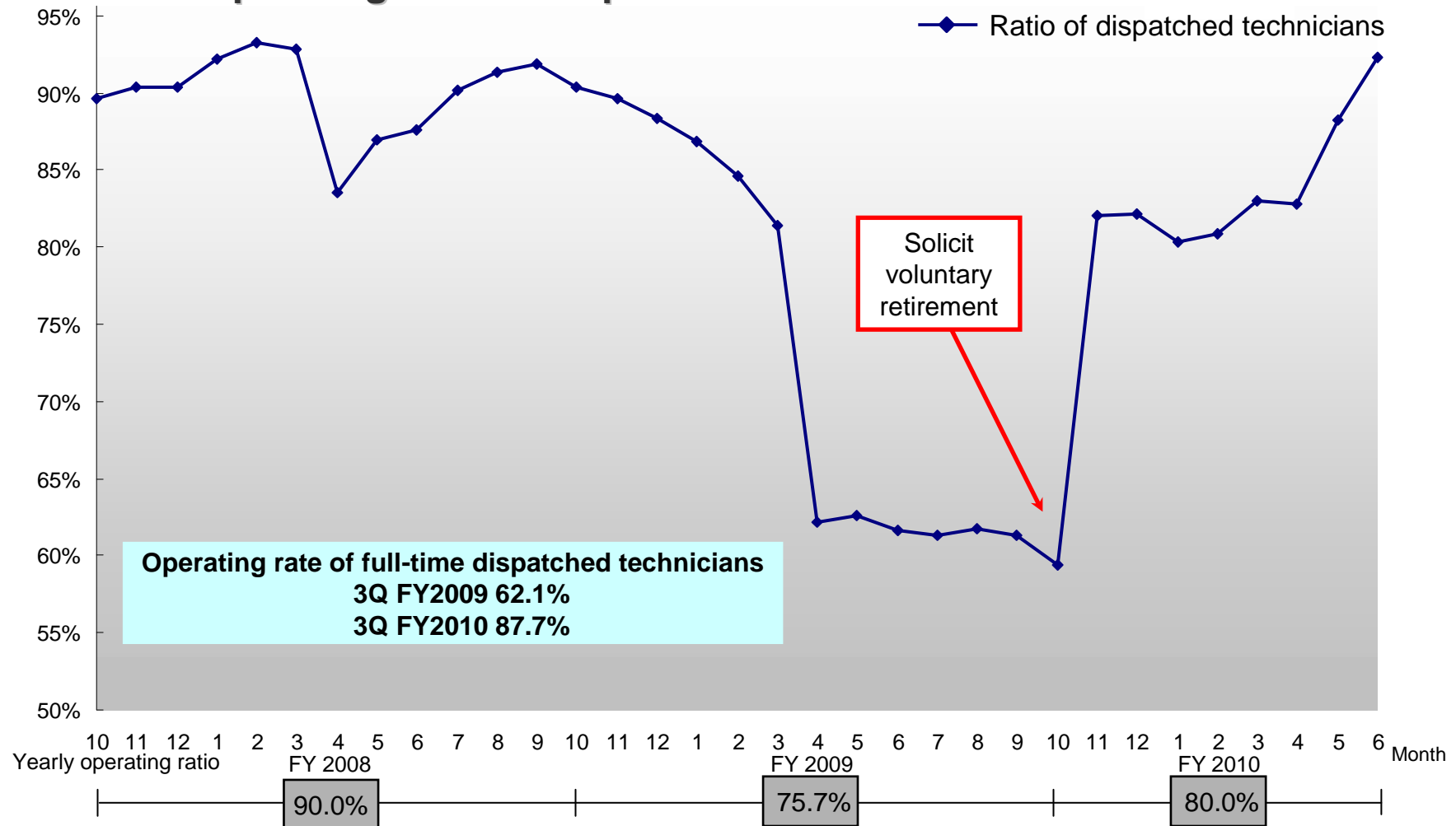
	3Q FY2009	3Q FY2010	Changes
Net sales	1,324	1,039	-21.5%
OP	-68	37	-
OP(%)	-5.1%	3.6%	-

【Earnings comparison,
excluding the impact of a subsidiary transfer】



- ◆ The year on year decrease in sales is due to the review of the scale of our business that accompanied the restructuring carried out during the previous fiscal year.
- ◆ Thanks to restructuring, income increased year on year, although sales decreased year on year

■ Technician dispatch business: Trend in operating ratio of dispatched technicians

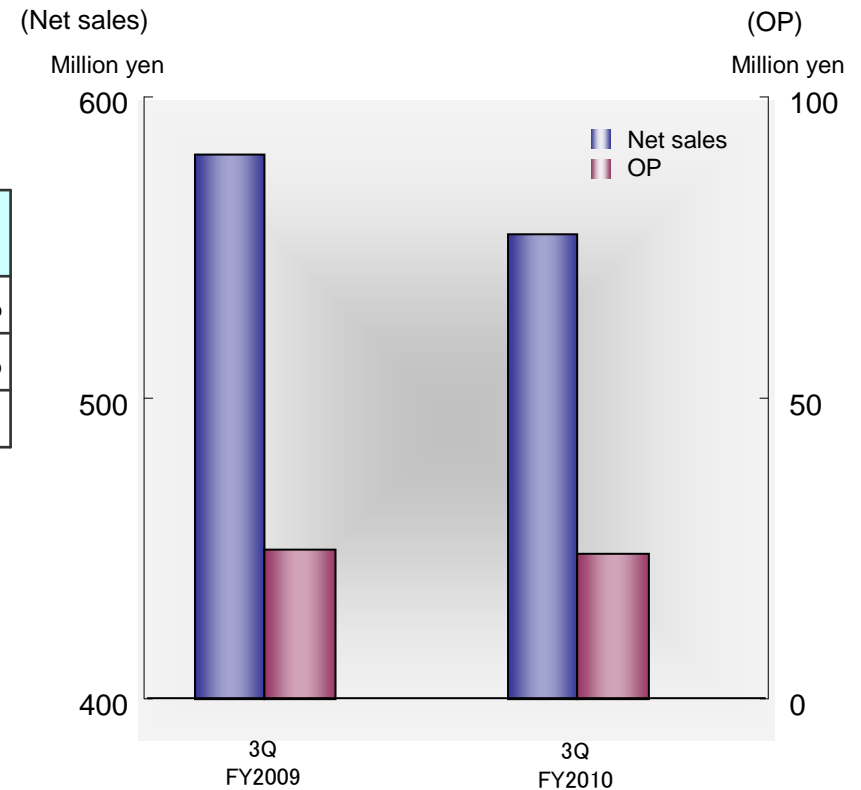


※Until the second quarter of fiscal 2009, figures were calculated based on the sum of data of Fullcast Central Co., Ltd. and Fullcast Technology Co., Ltd.
Following the sales of Fullcast Central Co., Ltd., from the second half of the fiscal year 2009, figures were calculated based only on data of Fullcast Technology Co., Ltd.

■ Security, other businesses: Earnings overview

Unit: Million yen

	3Q FY2009	3Q FY2010	Changes
Net sales	581	555	-4.5%
OP	25	24	-3.2%
OP(%)	4.3%	4.3%	-



- ◆ Despite lower sales and lower gross margins, operating income has remained in line with that of the same period in the previous year due to reductions in selling, general and administrative expenses.

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- ◆ **FY2010 Earnings Plan**

■ Plan for the full-year results for FY2010

Unit: Million yen

	FY2010 Revised forecast (Announcement May 7, 2010)	FY2010 Forecast (Announcement Aug. 6, 2010)	Difference
Net sales	36,971	36,971	-
Segment			
Short term* ¹	23,091	23,091	-
Sales support	7,332	7,332	-
Technician* ²	4,266	4,266	-
Security* ³	2,283	2,283	-
OP	1,223	1,223	-
RP	1,139	1,139	-
(Accrued extraordinary income)	-	291	291
NP	194	485	291
			Unit: yen
EPS	504.07	1,260.18	-

Notes) * 1: Short term operational support business, * 2: Technician dispatching business, * 3: Security and other businesses

- ◆ Accompanying the partial transfer and third party allocation of shares of consolidated subsidiary Fullcast Marketing Co. Ltd, a gain on change in equity of 291 million yen occurred because of a drop in the equity percentage owned by Fullcast Holdings in Fullcast Marketing to 54.39%.

FULLCAST HLDGS.



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