

Consolidated Financial Results Announcement for the Third Quarter of the Term Ending September 2011 [Japanese Standards] (Consolidated)

Company name: Fullcast Holdings Co., Ltd.
 Stock exchange listing: First Section of the Tokyo Stock Exchange
 Stock code: 4848
 URL: <http://www.fullcastholdings.co.jp>
 Representative: Hiroyuki Tokiwa, President and Representative Director
 Contact: Jo Okada, Managing Director and CFO Telephone: +81-3-4530-4830
 Date of submission of quarterly report (Planned): August 12, 2011
 Date of commencement of dividend payment: -
 Preparation of supplementary references regarding quarterly results: Yes (Shown on our homepage)
 Briefing for quarterly results: No

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2011 (October 1, 2010 – March 31, 2011)

(Figures are rounded to the nearest million yen.)

(1) Consolidated business results (aggregated)

(Figures in Percentages denote the year-on-year change.)

	Net sales		Operating income		Ordinary income		Net income	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
For the third quarter ended June 30, 2011	26,644	-0.3	1,209	98.7	1,122	107.5	1,539	—
June 30, 2010	26,730	-43.0	608	—	541	—	-266	—

	Net income per share	Diluted net income per share
	Yen	Yen
For the third quarter ended June 30, 2011	3,998.31	—
June 30, 2010	-691.36	—

(2) Consolidated financial conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	Million Yen	Million Yen	%	Yen
As of June 30, 2011	8,485	3,338	39.3	8,674.41
June 30, 2010	11,479	2,491	15.7	4,683.27

(Reference) Equity: As of June 30, 2011: 3,338 million yen As of September 30, 2010: 1,802 million yen

2. Dividend Status

	Dividend per share (yen)				
	End of 1Q	End of 2Q	End of 3Q	End of FY	Annual
Fiscal year ended September 2010	—	0.00	—	0.00	0.00
Fiscal year ending September 2011	—	0.00	—		
Fiscal year ending September 2011 (Forecast)				0.00	0.00

(Note) Revision of the expected dividends in the third quarter under review: No

3. Forecast for Consolidated Financial Results for the Year Ending September 30, 2011 (October 1, 2010 – September 30, 2011)

(Figures in percentages denote the year-on-year change.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
Full year	33,532	-7.1	1,705	28.1	1,606	31.3	2,029	275.2	5,271.99

(Note) Revision of consolidated forecast for the third quarter under review: No

4. Others (For details, please see “2. Other information” on page 5 of “appendix.”)

(1) Important changes of subsidiaries during the period: Yes

New: -

Excluded: 4

Fullcast Marketing Co., Ltd.

East Communication Inc.

EKO-SYSTEM Inc.

Fullcast Technology Co., Ltd.

(Currently YUME TECHNOLOGY CO. LTD.)

(Note) This indicates changes in specific subsidiaries resulted in changes in the scope of consolidation in the current quarter.

(2) Application of simplified accounting policies and special accounting treatment: Yes

(Note) This indicates the application of simplified accounting policies and special accounting treatment in creating quarterly consolidated financial statements.

(3) Changes in accounting principles, procedures, and presentation method

1) Changes associated with the revision of accounting principles, etc.: Yes

2) Changes other than 1) above: Yes

(Note) This indicates changes in accounting principles, procedures, and presentation methods, etc. related to the creation of quarterly consolidated financial statements that are listed in “Changes to the principles, procedures, presentation methods, etc., for accounting related to the creation of quarterly consolidated financial statements.”

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the term
(including treasury stock)

As of June 30, 2011	395,964	As of September 30, 2010	395,964
As of June 30, 2011	11,100	As of September 30, 2010	11,100
As of June 30, 2011	384,864	As of June 30, 2010	384,864

2) Number of treasury stock at the end of the term

3) Average number of shares outstanding during the term

* Presentation concerning implementation status of quarterly review procedures

These quarterly financial results are not the subject of a quarterly review procedure based upon the Financial Instruments and Exchange Act, and at the point in time when these financial quarterly results were disclosed, review procedures for quarterly financial statements based on the Financial Instruments and Exchange Act were not yet completed.

* Explanation about the proper use of financial forecasts and other important notes

Of all plans, forecasts, strategies and other information provided within this document, those which are not historical facts are future outlooks based upon certain conditions and our management’s judgment based upon currently available data.

Therefore, we warn against relying solely on these outlooks in assessing our business results, corporate value and other factors. Please also be informed that actual financial results may vary widely from our forecasts due to various factors.

Important factors that may have an impact upon our actual financial results include: (1) The economic and the financial conditions surrounding our Company and changes in the employment situation, (2) Damage to infrastructure arising from disasters, including earthquakes, and (3) Changes in the relevant laws, including the Labor standards law and the Worker dispatching law, and in interpretations of thereof. However, these factors that affect our financial results may not limited to only these.

Furthermore, please bear in mind that notwithstanding new data, future events or any other results whatsoever, we may choose not to reexamine our forecasts.

For the assumptions underlying business forecasts and related issues, please see Page 4, "1-(3) Qualitative Information Concerning Consolidated Forecast" of "appendix."

<Table of contents of Appendix>

1.	Qualitative Information Concerning Performance for the Current Quarter.....	2
	(1) Qualitative Information Concerning Consolidated Operating Results.....	2
	(2) Qualitative Information Concerning Consolidated Financial Position.....	3
	(3) Qualitative Information Concerning Consolidated Forecast.....	4
2.	Other information.....	5
	(1) Summary of Significant Changes in Subsidiaries.....	5
	(2) Summary of Simplified Accounting Policies and Special Accounting Treatment.....	5
	(3) Summary of Changes in Accounting Principles, Procedures and Presentation Method.....	5
3.	Quarterly Consolidated Financial Statements.....	7
	(1) Quarterly Consolidated Balance Sheet.....	7
	(2) Quarterly Consolidated Profit and Loss Statement.....	9
	[Third Quarter Aggregate Period of the Current Consolidated Fiscal Year].....	9
	[Third Quarter of the Current Consolidated Fiscal Year].....	10
	(3) Quarterly Consolidated Cash Flows Statement.....	11
	(4) Concerning Notes about Going Concern Assumption.....	13
	(5) Segment Information.....	13
	(6) Concerning Significant Change of Shareholders' Equity.....	15

1. Qualitative Information Concerning Performance for the Current Quarter

(1) Qualitative Information Concerning Consolidated Operating Results

This document describes the qualitative information concerning consolidated business performance in the three-month period from April 1 to June 30, 2011. For qualitative information on consolidated financial results for the first and second quarter of the term ending September 2011, please refer to the consolidated financial results announcement for the first quarter of the term ending September 2011 (released on February 10, 2011) and the consolidated financial results announcement for the second quarter of the term ending September 2011 (released on May 6, 2011).

Changes in the consolidated management performance are as follows (by quarter):

	(Units: Million Yen)			
	FY 2011 First Quarter	FY 2011 Second Quarter	FY 2011 Third Quarter	FY 2011 Aggregate total in Third Quarter
Net Sales	9,949	8,703	7,993	26,644
Gross Operating Income	2,478	1,993	1,824	6,296
Operating Income	656	225	327	1,209
Ordinary Income	653	222	246	1,122
Net Income	582	166	791	1,539

The economy in Japan showed signs of an upward trend in the third quarter, as supply chain restructuring developed and production began to recover, on the background of gradual recovery of overseas economies and effects of various political measures, while still experiencing the impact from the Great Eastern Japan Earthquake. However, Japan's economy remained severe, as concerns lingered over power supply restrictions, the nuclear power disaster, and the impact of high crude oil prices. The business environment surrounding human resource services has been still harsh, as the recovery of overall unemployment rate seems to be at standstill because of the disaster.

We are currently in the final year of the "New three-year plan" unveiled on May 8, 2009. Operating in the environment described above, the Fullcast Holdings Group has endeavored to increase profits by running group operations with "short-term operational support business," which is our original business, as a central pillar. In addition, according to the group management policy, Fullcast Marketing, Co., Ltd. which handles sales support business (including three subsidiaries; hereafter referred to as the FCM Group), changed to an equity method affiliate from our Company's consolidated subsidiaries due to partial stock sale and allocation of new stock to a third party (at the beginning of this third quarter), and Fullcast Technology Co., Ltd. (hereafter referred to as FCT), which handled technician dispatch business, was eliminated from the scope of consolidation as all stocks owned by our Company were sold through a takeover bid (at the end of this third quarter).

Compared to the same quarter of the previous year, the short-term operational support business brought a higher yield, while consolidated sales decreased 8.1% year-on-year to 7,993 million yen because of the influence of the sales support business changing from a consolidation target to a target of application of the equity method.

On the profit side, the sales support business, which recorded operating losses in the same quarter of the previous year, changed from a consolidation target to a target of application of the equity method. As a result, consolidated operating income increased 68.9% year-on-year to 327 million yen and consolidated ordinary income increased 38% year-on-year to 246 million yen. Consolidated quarterly net income was 791 million yen, compared to a 50 million yen of net loss recorded in the same quarter of the previous year, as gain on changes in equity of 94 million and gain on sales of subsidiaries and affiliates of 196 million yen due to changing the FCM Group to an equity method affiliate, and gain on sales of subsidiaries and affiliates' stocks of 326 million yen due to changes in FCT's scope of consolidation (exclusion from consolidation) were recorded in extraordinary income.

Results for each segment were as follows.

1) Short-term operational support business

We focused on developing business with customers whose demand was expected to recover after the Great Eastern Japan Earthquake, and also focused on business with customers who were about to enter the busy season. As a result, net sales for short-term operational support business increased 12.2% year-on-year to 6,403 million yen.

In terms of profits, gross margin decreased because we also positively acquired customers with low profit margins. However, operating income increased 1.6% year-on-year to 427 million yen due to efforts to control selling, general and administrative expenses.

2) Security business

Due to the effects of the Great Eastern Japan Earthquake, demand for security business decreased, so net sales for the security business were just 546 million yen, a 1.6% decrease year-on-year.

In terms of profits, manpower was increased from the beginning of the term in order to increase net income, so there was an operating loss of 7 million yen (the same quarter of the previous year recorded a 24 million yen of operating income).

3) Technician dispatch business

In our technician dispatch business, we were able to achieve the same level of sales as in the same quarter of the previous year, with sales increasing 0.4% year-on-year to 1,043 million yen.

In terms of profits, we increased the payment for dispatch work employees intending to raise the order unit price. However, the price could not be raised as initially planned, and the profit margin decreased, which was the main cause for a decrease in operating income of 21.8% year-on-year to 29 million yen.

- ※ The explanation for the sales support business was omitted because it changed to a target of the application of equity method at the beginning of this third quarter. In addition, the technical dispatch business was removed from the consolidation scope at the end of this third quarter.

(2) Qualitative Information Concerning Consolidated Financial Position

1) Assets, liabilities and net assets

Total assets at the end of this third quarter decreased by 2,994 million yen from the end of the previous consolidated accounting fiscal year to 8,485 million yen. This was mainly due to the changes with the FCM Group, which handles the sales support business, and changes with FCT, which handled the technician dispatch business. Equity increased by 1,536 million yen to 3,338 million yen (the equity ratio was 39.3%) and net assets increased by 848 million yen to 3,338 million yen.

In addition, money received from the sale of FCT stock was used as a resource for the repayment of short-term loans payable, which resulted in cash and deposits being over the total loans payable, meaning there was substantially no debt.

Major fluctuations in the assets and liabilities section were as follows.

On the side of assets, current assets decreased by 2,507 million yen over the end of the previous consolidated fiscal year to 7,230 million yen. This was largely due to the changes with the FCM Group that handles the sales support business, and changes with FCT that handled the technician dispatch business, which caused a decrease in cash and deposits by 1,416 million yen to 3,601 million yen, and also due to the decrease in the notes and accounts receivable-trade by 840 million yen to 3,272 million yen.

Noncurrent assets decreased by 486 million yen over the end of the previous consolidated fiscal year to 1,255 million yen. This was mainly because of the 410 million yen decrease in guarantee deposits to 233 million yen through consolidation of functions of the branches.

On the side of liabilities, current liabilities decreased by 2,926 million yen over the end of the previous consolidated fiscal year to 4,872 million yen, and noncurrent liabilities dropped by 916 million yen over the end of the previous consolidated fiscal year to 274 million yen. In addition to the decrease related to the changes with the FCM Group, which handles the sales support business, and changes with FCT, which handled technician dispatch

business, this was mainly because money received from the sale of FCT stock was used to repay 1,230 million yen of short-term loans payable, so that the short-term loans payable was decreased to 1,781 million yen, and also because current portion of long-term loans payable decreased by 720 million yen, leaving the amount of 1,010 million yen, and other long-term loans payable decreased by 670 million yen, leaving 0 yen.

2) Cash flow

Cash and cash equivalents (hereafter referred to as “cash”) at the end of the third consolidated aggregate quarter were 747 million yen lower than at the end of the second quarter (an increase of 552 million yen over the same quarter of the previous fiscal year), resulting in a balance of 3,551 million yen.

(Cash flow from operating activities)

Income before income taxes and minority interests was 839 million yen. There was a decrease in notes and accounts receivable-trade of 457 million yen (decrease in notes and accounts payable-trade was 32 million yen), depreciation and amortization was 58 million yen, gain on sales of subsidiaries and affiliates’ stocks was 522 million yen, and the gain on change of share-holding ratio was 94 million yen. As a result, net cash provided by operating activities amounted to 860 million yen (net cash provided in the same quarter of the previous fiscal year were 807 million yen).

(Cash flow from investing activities)

Income from the sale of investments in subsidiaries resulting in change in the scope of consolidation was 365 million yen, payments of loans receivable were 345 million yen. As a result, net cash provided by investment activities were 8 million yen (net cash provided in the same quarter of the previous fiscal year were 261 million yen).

(Cash flow from financing activities)

Due to the 1,230 million yen of net decrease in short-term loans payable and 397 million yen being expended for the repayment of long-term loans payable, net cash used in financing activities were 1,615 million yen (net cash provided in the same quarter of the previous fiscal year were 517 million yen).

(3) Qualitative Information Concerning Consolidated Forecast

Because the business performance for this quarter was generally in the range of the plans, the consolidated earnings forecast for the term ending September 2011 that was disclosed on May 6, 2011 has not been changed.

2. Other Information

(1) Summary of Significant Changes in Subsidiaries

(1) Summary of Significant Changes in Subsidiaries (Changes in Specified Subsidiaries that led to Changes in the Scope of Consolidation)

Excluded from Consolidation: Fullcast Marketing Co., Ltd.
East Communication Inc.
EKO-SYSTEM Inc.
Telecom Marketing Co., Ltd. (This is not a specified company)
Fullcast Technology Co., Ltd. (Currently YUME TECHNOLOGY, CO., LTD.)

(Changes in Fullcast Marketing Co., Ltd. shares due to partial transfer and allocation of new shares to a third party)

On May 2, 2011, our Company partially transferred the shares of Fullcast Marketing Co., Ltd., a specified subsidiary and consolidated subsidiary, and Fullcast Marketing Co., Ltd. executed allocation of new shares to a third party. As a result of this allocation of new shares, the ratio of our equity ownership in this company decreased, and Fullcast Marketing Co., Ltd. and its consolidated subsidiaries, namely East Communication Inc. and EKO-SYSTEM Inc., are no longer included as specified subsidiaries and consolidated subsidiaries. In addition, Telecom Marketing Co., Ltd., a consolidated subsidiary of Fullcast Marketing Co., Ltd., is no longer included in consolidated subsidiaries.

(Changes in Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY, CO., LTD.) due to transfer of all shares)

Regarding all shares of Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.), which was a specified subsidiary and consolidated subsidiary, our Company agreed on the takeover bid by YUMESHIN HOLDINGS CO., LTD. offered during the period of April 25 to May 26, 2011 and transferred all shares as of May 31, 2011. As a result, Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.) is no longer included in specified subsidiaries and consolidated subsidiaries of our Company.

(2) Summary of Simplified Accounting Policies and Special Accounting Treatment

(Simplified accounting policies)

Calculation method for depreciation and amortization of noncurrent assets

For assets for which the declining balance method is used, depreciation expenses are calculated by proportionally distributing the amount of depreciation for the consolidated fiscal year to the period.

(Specific accounting treatments for use in preparing consolidated quarterly financial statements)

Not applicable.

(3) Summary of Changes in Accounting Principles, Procedures and Presentation Method

(Changes in items concerning accounting treatment standards)

Application of "Accounting Standards for Asset Retirement Obligations"

From this consolidated first quarter, we are applying "Accounting Standards for Asset Retirement Obligations" (Corporate Accounting Standards vol. 18, March 31, 2008) and "Application Guideline of Accounting Standards for Asset Retirement Obligations" (Corporate Accounting Standards Application Guideline vol. 21, March 31, 2008).

As a result, operating income and ordinary income have both decreased by 8 million yen, while income before income taxes and minority interests has decreased by 23 million yen. Change in asset retirement obligations resulting from applying these accounting standards totals 32 million yen.

Application of "Accounting Standards for Business Combinations"

From this consolidated first quarter, we are applying "Accounting Standards for Business Combinations"

(Corporate Accounting Standards vol. 21, December 26, 2008), “Accounting Standards for Consolidated Financial Statements” (Corporate Accounting Standards vol. 22, December 26, 2008), “Partial Amendment to ‘Accounting Standards for Research and Development Expenses’” (Corporate Accounting Standards vol. 23, December 26, 2008), “Accounting Standards for Business Separations” (Corporate Accounting Standards vol. 7, December 26, 2008), “Accounting Standards for Equity Method” (Corporate Accounting Standards vol. 16, released on December 26, 2008) and “Application Guideline for Business Combination Accounting Standards and Business Separation Accounting Standards” (Corporate Accounting Standards Application Guideline vol. 10, December 26, 2008).

(Changes in presentation method)

Regarding consolidated quarterly profit and loss statement

As a result of applying “Cabinet Order on the Partial Revision of the Regulation for Terminology, Forms and Preparation of Financial Statements” (March 24, 2009, Cabinet Office Ordinance vol. 5), based on “Accounting Standards for Consolidated Financial Statements” (Corporate Accounting Standards vol. 22, December 26, 2008), for this consolidated aggregate third quarter we have displayed the account item, “Income before minority interests.”

Regarding consolidated quarterly statements of cash flows

In this consolidated aggregate third quarter, “Decrease (increase) in insurance funds,” which was listed separately under “Net cash provided by (used in) operating activities” in the previous this consolidated aggregate third quarter, was of little importance in monetary terms, it has been included among “Other.”

For this consolidated aggregate third quarter, the value of “Decrease (increase) in insurance funds,” as included among “Other” under “Net cash provided by (used in) operating activities,” was -6 million yen (increase).

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

	(Million yen)	
	End of consolidated accounting period for the current third quarter under review (June 30, 2011)	Condensed consolidated balance sheets at the end of the previous fiscal year (September 30, 2010)
ASSETS		
Current assets		
Cash and deposits	3,601	5,017
Notes and accounts receivable-trade	3,272	4,112
Merchandise	19	23
Work in process	—	1
Supplies	10	13
Other	369	594
Allowance for doubtful accounts	-41	-24
Total current assets	7,230	9,737
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	168	81
Tools, furniture and fixtures, net	139	156
Other, net	4	0
Total property, plant and equipment	311	237
Intangible assets	183	237
Investments and other assets		
Guarantee deposits	233	643
Other	567	701
Allowance for doubtful accounts	-39	-76
Total investments and other assets	761	1,267
Total noncurrent assets	1,255	1,741
Total assets	8,485	11,479

(Million yen)

	End of consolidated accounting period for the current third quarter under review (June 30, 2011)	Condensed consolidated balance sheets at the end of the previous fiscal year (September 30, 2010)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	38	72
Short-term loans payable	1,781	3,011
Current portion of long-term loans payable	1,010	1,730
Accounts payable-other	1,325	1,647
Accrued expenses	453	749
Income taxes payable	89	132
Provision for bonuses	50	243
Allowance for cancellation adjustments	—	9
Other	125	206
Total current liabilities	4,872	7,798
Noncurrent liabilities		
Long-term loans payable	—	670
Provision for retirement benefits	209	482
Other	65	39
Total noncurrent liabilities	274	1,190
Total liabilities	5,147	8,988
NET ASSETS		
Shareholders' equity		
Capital stock	2,780	2,780
Capital surplus	2,013	2,013
Retained earnings	1,317	-222
Treasury stock	-2,747	-2,747
Total shareholders' equity	3,364	1,825
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	-25	-23
Total valuation and translation adjustments	-25	-23
Minority interests	—	688
Total net assets	3,338	2,491
Total liabilities and net assets	8,485	11,479

(2) Quarterly Consolidated Profit and Loss Statement**[Third Quarter Aggregate Period of the Current Consolidated Fiscal Year]**

	(Million yen)	
	Third quarter aggregate period of the previous consolidated fiscal year (From October 1, 2009 To June 30, 2010)	Third quarter aggregate period of the current consolidated fiscal year (From October 1, 2010 To June 30, 2011)
Net sales	26,730	26,644
Cost of sales	20,353	20,349
Gross profit	6,378	6,296
Selling, general and administrative expenses	5,769	5,087
Operating income	608	1,209
Non-operating income		
Dividends income	3	1
Real estate rent	—	3
Reversal of accounts payable	34	15
Other	68	57
Total non-operating income	105	75
Non-operating expenses		
Interest expenses	86	59
Rent cost of real estate	—	3
Equity in losses of affiliates	13	75
Other	73	24
Total non-operating expenses	173	162
Ordinary income	541	1,122
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	185	522
Gain on sales of investment securities	7	22
Gain on change in equity	—	94
Gain on reversal of business structure improvement expenses	—	42
Government subsidy received	158	26
Reversal of allowance for doubtful accounts	29	5
Surrender value of insurance	12	—
Other	0	0
Total extraordinary income	391	711
Extraordinary loss		
Loss on valuation of investment securities	543	—
Loss on sales of noncurrent assets	2	1
Loss on retirement of noncurrent assets	10	22
Impairment loss	23	18
Special retirement expenses	45	17
Allowance for employment adjustment	179	38
Loss on disaster	—	85
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	15
Head office transfer cost	150	—
Loss on closing of stores	105	—
Cancellation loss of dormitory	13	—
Litigation expenses	30	—
Loss on insurance cancellation	3	—
Other	—	0
Total extraordinary losses	1,102	197
Income (loss) before income taxes and minority interests	-171	1,635
Income taxes-current	92	104
Income taxes-deferred	20	88
Total income taxes	111	192
Income before minority interests	—	1,443
Minority interests in loss	-16	-95
Net income (loss)	-266	1,539

[Third Quarter of the Current Consolidated Fiscal Year]

(Million yen)

	Third quarter of the previous consolidated fiscal year (From April 1, 2010 To June 30, 2010)	Third quarter of the current consolidated fiscal year (From April 1, 2011 To June 30, 2011)
Net sales	8,695	7,993
Cost of sales	6,578	6,169
Gross profit	2,117	1,824
Selling, general and administrative expenses	1,924	1,496
Operating income	194	327
Non-operating income		
Dividends income	0	1
Real estate rent	—	3
Reversal of accounts payable	13	4
Other	17	16
Total non-operating income	31	24
Non-operating expenses		
Interest expenses	27	16
Rent cost of real estate	—	3
Equity in losses of affiliates	—	75
Other	19	11
Total non-operating expenses	46	105
Ordinary income	179	246
Extraordinary income		
Gain on sales of subsidiaries and affiliates' stocks	70	522
Gain on change in equity	—	94
Gain on reversal of business structure improvement expenses	—	5
Government subsidy received	40	—
Reversal of allowance for doubtful accounts	6	1
Other	0	0
Total extraordinary income	117	622
Extraordinary loss		
Loss on sales of noncurrent assets	0	0
Loss on retirement of noncurrent assets	3	9
Impairment loss	23	—
Special retirement expenses	—	17
Allowance for employment adjustment	45	—
Loss on disaster	—	4
Head office transfer cost	150	—
Loss on closing of stores	75	—
Other	—	0
Total extraordinary losses	296	30
Income (Loss) before income taxes and minority interests	-1	839
Income taxes-current	45	30
Income (Loss) taxes-deferred	-5	32
Total income taxes	41	62
Income before minority interests	—	777
Minority interests in income (loss)	8	-14
Net income (loss)	-50	791

(3) Quarterly Consolidated Cash Flows Statement

(Million yen)

	Third quarter aggregate period of the previous consolidated fiscal year (From October 1, 2009 To June 30, 2010)	Third quarter aggregate period of the current consolidated fiscal year (From October 1, 2010 To June 30, 2011)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	-171	1,635
Depreciation and amortization	266	172
Amortization of goodwill	14	-
Impairment loss	23	18
Loss on adjustment for changes of accounting standard for asset retirement obligations	-	15
Loss on retirement of noncurrent assets	10	22
Loss (gain) on sale of noncurrent assets	2	0
Loss (gain) on valuation of investment securities	543	-
Loss (gain) on sales of stocks of subsidiaries and affiliates stock	-185	-522
Loss (gain) on sales of investment securities	-7	-22
Loss (gain) on change in equity	-	-94
Interest and dividends income	-5	-3
Interest expenses	86	59
Equity in losses (earnings) of affiliates	13	75
Increase (decrease) in allowance for doubtful accounts	-76	11
Increase (decrease) in provision for bonuses	-149	-98
Increase (decrease) in provision for retirement benefits	48	2
Decrease (increase) in notes and accounts receivable-trade	436	15
Decrease (increase) in inventory	117	-51
Increase (decrease) in notes and accounts payable-trade	-335	-136
Decrease (increase) in insurance funds	245	-
Decrease (increase) in accounts receivable-other	275	-25
Increase (decrease) in accrued expenses	-51	67
Increase (decrease) in accrued consumption taxes	-433	78
Other, net	398	380
Subtotal	1,065	1,600
Interest and dividends income received	5	2
Interest expenses paid	-88	-57
Income taxes paid	-133	-193
Income taxes refund	348	32
Net cash provided by (used in) operating activities	1,197	1,384
Net cash provided by (used in) investing activities		
Payments into time deposits	-100	-
Proceeds from withdrawal of time deposits	100	150
Purchase of property, plant and equipment	-41	-211
Proceeds from sales of property, plant and equipment	1	0
Purchase of intangible assets	-14	-72
Payments of loans receivable	-530	-345
Collection of loans receivable	531	-
Proceeds from sales of investment securities	68	28
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-13	-
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	-	365
Purchase of investment in subsidiaries	-20	-

	Third quarter aggregate period of the previous consolidated fiscal year (From October 1, 2009 To June 30, 2010)	Third quarter aggregate period of the current consolidated fiscal year (From October 1, 2010 To June 30, 2011)
Proceeds from sales of investments in subsidiaries	223	-
Other, net	-1	-3
Net cash provided by (used in) investing activities	204	-87
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-27	-1,230
Repayment of long-term loans payable	-1,515	-1,390
Proceeds from stock issuance to minority shareholders	-	12
Other, net	-25	-4
Net cash provided by (used in) financing activities	-1,567	-2,612
Net increase (decrease) in cash and cash equivalents	-166	-1,316
Cash and cash equivalents at beginning of period	4,914	4,867
Cash and cash equivalents at end of period	4,748	3,551

(4) Concerning Notes about Going Concern Assumption

Not applicable.

(5) Segment Information

[Information on the business segment]

Third quarter aggregate period of the previous consolidated fiscal year (from October 1, 2009 to June 30, 2010)

(Million yen)

	Short-term Operational Support Business	Sales Support Business	Technician Dispatch Business	Security, Other Businesses	Total	Elimination or company total	Consolidated
Net sales							
(1) Sales to external customers	16,446	5,465	3,196	1,623	26,730	—	26,730
(2) Inter-segment sales or transfers	37	41	7	2	87	-87	—
Total	16,483	5,506	3,204	1,624	26,817	-87	26,730
Operating income (loss)	960	-229	144	58	932	-324	608

Notes: 1. Business segments are based on classifications used in internal management.

2. Main services of each business

- | | |
|--|---|
| (1) Short-term operational support business: | Short-term human outsourcing services |
| (2) Sales support business: | Sales outsourcing services |
| (3) Technician dispatch business: | Engineer dispatching services, human resources contracting of technical staff |
| (4) Security, other businesses: | Security services, restaurant and bar management |

Third quarter accounting period of the previous consolidated fiscal year (from April 1 to June 30, 2010)

(Million yen)

	Short-term Operational Support Business	Sales Support Business	Technician Dispatch Business	Security, Other Businesses	Total	Elimination or company total	Consolidated
Net sales							
(1) Sales to external customers	5,709	1,392	1,039	555	8,695	—	8,695
(2) Inter-segment sales or transfers	36	15	3	1	54	-54	—
Total	5,745	1,407	1,042	555	8,750	-54	8,695
Operating income (loss)	420	-176	37	24	305	-111	194

Notes: 1. Business segments are based on classifications used in internal management.

2. Main services of each business

- | | |
|--|---|
| (1) Short-term operational support business: | Short-term human outsourcing services |
| (2) Sales support business: | Sales outsourcing services |
| (3) Technician dispatch business: | Engineer dispatching services, human resources contracting of technical staff |
| (4) Security, other businesses: | Security services |

[Geographic segment information]

Third quarter aggregated period of the previous fiscal year (from October 1, 2009 to June 30, 2010) and third quarter (three months) of the previous fiscal year (from April 1, 2010 to June 30, 2010)

Not applicable as we did not have any consolidated subsidiaries or foreign offices located in any foreign countries or regions outside of Japan.

[Overseas sales]

Third quarter aggregated period of the previous fiscal year (from October 1, 2009 to June 30, 2010) and third quarter (three months) of the previous fiscal year (from April 1, 2010 to June 30, 2010)

Not applicable as we did not record any overseas sales.

[Segment information]

(Additional information)

As of this consolidated first quarter, we are applying “Accounting Standards for Disclosure of Segment Information” (Corporate Accounting Standards vol. 17, March 27, 2009) and “Application Guideline for Accounting Standards for Disclosure of Segment Information” (Corporate Accounting Standards Application Guideline vol. 20, March 21, 2008).

1. Overview of reporting segments

The Company’s reporting segments are business units for which financial information that has been separated among the Company’s structural units can be obtained, and are subject to regular examinations, in order for the board of directors to decide on allocations of management resources and evaluate performance.

Our Group has four reporting segments: short-term operational support business, sales support business, technician dispatch business, and security business. Short-term operational support business provides timely short-term staffing services that cater to fluctuations in client companies’ workloads; sales support business is an agency sales and call center business that mainly handles communications products; technician dispatch business is technical staffing services centered on design development and manufacturing processes for the manufacturing industry; and security business mainly conducts security work for public facilities and general companies.

2. Information concerning sales, profits and losses for each reporting segment

Third quarter aggregate period of the current consolidated fiscal year (Oct. 1, 2010 to June 30, 2011)

(Million yen)

	Reporting Segment				Total	Adjusted amount (Note: 1)	Quarterly consolidated profit & loss statement recorded amount (Note: 2)
	Short-term Operational Support Business	Sales Support Business	Technician Dispatch Business	Security Business			
Net sales							
Sales to external customers	19,761	2,001	3,195	1,688	26,644	—	26,644
Inter-segment sales or transfers	3	39	13	1	56	-56	—
Total	19,764	2,039	3,208	1,690	26,700	-56	26,644
Segment income (loss)	1,426	-36	108	29	1,527	-318	1,209

Notes: 1. 50 million yen in intersegment eliminations and -368 million yen in corporate expenses not allocated to any reporting segment are included in the -318 million yen segment income adjustment amount. Corporate expenses are mainly general administrative expenses that do not belong to any reporting segment.

2. Segment income is adjusted with operating income as listed in quarterly consolidated profit and loss statements of income.

Third quarter accounting period of the current consolidated fiscal year (April 1 to June 30, 2011)

(Million yen)

	Reporting Segment				Total	Adjustment amount (Note: 1)	Consolidated Quarterly Income Statement Amount (Note: 2)
	Short-term Operational Support Business	Sales Support Business	Technician Dispatch Business	Security Business			
Net sales							
Sales to external customers	6,403	—	1,043	546	7,993	—	7,993
Inter-segment sales or transfers	—	—	5	1	5	-5	—
Total	6,403	—	1,048	547	7,998	-5	7,993
Segment income (loss)	427	—	29	-7	449	-121	327

Notes: 1. 15 million yen in intersegment eliminations and -136 million yen in corporate expenses not allocated to any reporting segment are included in the -121 million yen segment income adjustment amount. Corporate expenses are mainly general administrative expenses that do not belong to any reporting segment.

2. Segment income (loss) is adjusted with operating income as listed in quarterly consolidated profit and loss statements of income.

3. Information related to assets according to the reporting segment

During this third quarter consolidated accounting period, partial stocks of Fullcast Marketing Co., Ltd., which was a consolidated subsidiary, were assigned to a third party, and they also allocated new stocks to a third party. As a result, Fullcast Marketing Co., Ltd. became an equity method affiliate. In addition, Telecom Marketing Co., Ltd., East Communication Inc., and EKO-SYSTEM Inc., which are subsidiaries of Fullcast Marketing Co., Ltd., were eliminated from the consolidation scope. Therefore, assets for the sales support business decreased by 1,482 million yen from the end of the previous consolidated fiscal year.

All stocks of Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.) were assigned to a third party, so it was eliminated from the consolidation scope, and we withdrew from the technician dispatch business. Therefore, assets for the technician dispatch business decreased by 2,268 million yen from the end of the previous consolidated fiscal year.

(6) Concerning Significant Change of Shareholders' Equity

Not applicable.