[Disclaimer Regarding Forecast and Projections]

This Consolidated Financial Results includes forecasts, projections and other predictive statements that represent Fullcast's assumptions and expectations in light of currently available information. These forecasts, etc., are based on industry trends, circumstances involving clients and other factors, and they involve risks, variables and uncertainties. The Group's actual performance results may differ from those projected in this Consolidated Financial Results. Consequently, no guarantee is presented or implied as to the accuracy of specific forecasts, projections or predictive statements contained herein.

August 11, 2004

Brief Announcement of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2004

Company name:	Fullcast Co., Ltd.
Stock code:	4848
Stock Exchange listing:	Second Section of the Tokyo Stock Exchange
Address:	Tokyo
URL:	http://www.fullcast.co.jp
President and CEO:	Takehito Hirano
Contact:	Yutaka Kubo, Corporate Executive Officer in charge of management strategy
Telephone:	+81-3-3780-9507 +81-3-5778-7564 (Interpreter)
Board meeting for approving:	August 11, 2004
Accounting Principle:	Japanese GAAP

1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending September 30, 2004 (October 1, 2003 – June 30, 2004)

(1) Consolidated business results

	Net sales		Operating income		Ordinary income	
	Millions of yen	YoY change (%)	Millions of yen	YoY change (%)	Millions of yen	YoY change (%)
Third quarter ended June 2004	34,868	25.0	2,154	27.7	2,161	21.7
Third quarter ended June 2003	27,890	48.8	1,686	73.8	1,776	91.6
Year ended September 2003	37,945	—	2,455	—	2,558	—

	Net income for the third quarter		Net income per share for the third quarter	Diluted net income per share for the third quarter
	Millions of yen	%	Yen	Yen
Third quarter ended June 2004	845	(1.1)	3,147.27	3,133.05
Third quarter ended June 2003	854	198.5	19,575.94	19,454.73
Year ended September 2003	1,196	—	27,373.46	27,118.49

Notes:
1. Investment profit and loss on equity method (millions of yen)
   - Third quarter ended June 2004: 1
   - Third quarter ended June 2003: 5
   - Year ended September 2003: 6
2. Average number of shares outstanding (consolidated)
   - Third quarter ended June 2004: 268,615 shares
   - Third quarter ended June 2003: 43,656 shares
   - Year ended September 2003: 43,715 shares
3. Changes in accounting principles applied: None
4. Each year-on-year (YoY) change represents its relevant change in percentage compared to the same period of the previous year.

(2) Consolidated financial condition

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Third quarter ended June 2004	18,193	10,543	58.0	38,578.09
Third quarter ended June 2003	13,943	8,332	59.8	190,057.46
Year ended September 2003	15,493	8,719	56.3	198,486.00

Note: Number of shares outstanding
As of June 30, 2004: 273,312 shares
As of June 30, 2003: 44,741 shares
As of September 30, 2003: 43,929 shares

(3) Consolidated cash flows position

	Net cash provided by (used in)			Cash and cash equivalents at end of period
	Operating activities	Investing activities	Financing activities	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Third quarter ended June 2004	(377)	(70)	1,020	5,723
Third quarter ended June 2003	1,019	1,161	(1,669)	4,252
Year ended September 2003	1,545	1,604	(1,741)	5,150

(4) Scope of consolidation and application of equity method

Consolidated subsidiaries: 6
Unconsolidated subsidiaries under equity method application: None
Affiliates under equity method application: 1

(5) Changes in the scope of consolidation and affiliates under the equity method

Consolidated subsidiaries
Newly added: 1
Excluded: None
Affiliates accounted for under the equity method
Newly added: None
Excluded: None

2. Forecast for Consolidated Financial Results for the Year Ending September 2004 (October 1, 2003 – September 30, 2004)

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Full year	48,000	3,200	1,300

Reference: Estimated net income per common share for the full year: 4,818.56 yen

Note: Figures stated above are rounded down to the nearest million yen.
Estimated earnings per share for the fiscal year ending September 30, 2004 is calculated based on the average number of shares outstanding during the fiscal year after common stocks were split.
The above-mentioned forecast is based on the assumptions and other relevant factors discussed in the "*Outlook for the September 2004 Fiscal Year*" section on page 7.

Table of contents

**Due to large volume of data, please refer to the page indicated by contents.*

Of all plans, forecasts, strategies and others, those which are not historical facts are future outlooks based upon certain conditions and our management's judgement based upon currently available data.
Therefore, we advise that you not rely solely on these outlooks in weighing our business results, corporate value and other factors. Please also be informed that actual financial results may vary widely from these outlooks due to various factors.
Important factors that may have an impact on actual financial results include: (1) The economic situation surrounding the company (index of mining and industrial output, inventory index, etc.) and changes in the employment situation; (2) Fluctuations in interest rates, etc.; (3) Damage to cooperate infrastructure due to disasters, including earthquakes; and (4) Changes in the relevant laws, including the Labor Standards Law and the Worker Dispatch Law, and in interpretations of thereof. However, the factors that may affect the financial results shall not be limited to these.
Furthermore, please bear in mind that notwithstanding new data, future events or any other results whatsoever, we will not always reexamine our outlooks.

1. Results of Operations

The Fullcast Group attained record consolidated quarterly sales for the third quarter of the fiscal year ending September 30, 2004. It depreciated goodwill involved in turning Apayours Co., Ltd. into its wholly owned subsidiary in a lump, accounting net loss.

(1) Operating Highlights in the Third Quarter

Third Quarter ended June 30, 2004 (April 1, 2003 – June 30, 2004)
Third Quarter ended June 30, 2003 (April 1, 2002 – June 30, 2003)

1) Consolidated operating highlights in the third quarter

(Millions of yen)

Three months ended June 30	2004	2003	YoY change
Net sales	12,287	9,173	33.9%
Operating income	560	456	22.7%
Ordinary income	549	479	14.5%
Current net income	(50)	314	–
Current net income per share	* ¥(184.43)	¥7,179.04	–

*As of November 20, 2003 we split common shares on a three-for-one-stock-split basis. And as of May 20, 2004 we split common shares on a two-for-one-stock-split basis. Current net income per share was calculated on the assumption that the stock split was carried out at the beginning of the period.

Summary

In the third quarter of the fiscal year ending September 30, 2004 the Fullcast Group was able to continue to improve operating results, thanks to an increase in orders from both existing and new client companies. This can be attributed to an expanded demand for outsourcing as development, design, production and physical distribution were spurred in corporate activities by Japanese companies and our efforts to quickly build a better service system nationwide through opening outlets actively and meet demand proactively by taking advantage of the competitiveness of the Group's service and quickly responding to client companies' needs.

Geographically, orders continued to increase from the Tokai and Western Japan regions, where a local economy made a remarkable recovery, from the first half of the fiscal year.

By segment, business performances by all the Spot, Factory and Technology Business segments improved steadily.

Meanwhile, selling, general and administrative expenses (SG&A), centered on personnel expenses, increased as the Fullcast Group opened outlets aggressively. In addition, 317 million yen in amortization of consolidation account adjustment, which was depreciated in a lump as a result of turning Apayours Co., Ltd. into the Company's wholly owned subsidiary through equity swap on June 1, 2004, was recorded as an extraordinary loss.

As a result, net sales increased 33.9% over the same period last year to 12,287 million yen, with operating income rising 22.7% to 560 million yen and current net loss being 50 million yen in the third quarter in review (compared to 314 million yen in surplus the same time last year).

2) Operating highlight in the third quarter by business segment

Spot Business

(Millions of yen)

Three months ended June 30	2004	2003	YoY change
Sales to external customers	7,498	5,366	39.7%
Inter-segment	110	51	113.7%
Total sales	7,608	5,418	40.4%
Operating income	589	441	33.4%
Operating income margin	7.7%	8.2%	–

In the Spot Business area on the outsourcing market due to a change in the profit-earning structure and the employment system, which encourages companies to make effective use of outsourcing instead of having regular employees carry out the entire range of business activities demand continued to grow in various parts of the nation in the third quarter in review, in addition to a steady recovery of the Japanese economy. Under such business circumstances, in order to strengthen the ability to better meet the client company's needs, the Company continued to improve its network of outlets across the nation from the first half of the fiscal year by opening another 53 outlets in the quarter in review. At the end of the reporting quarter there were a total of 180 outlets for the Spot Business across the nation, namely, 174 operated by Fullcast Co., Ltd. and 6 by Fullcast Office Support Co., Ltd., up 104 from the same period last year. On top of this, 24 outlets by Apayours were added, which brought the total to 204 outlets across the nation, up 128 from the same period last year. Thanks to such aggressive placement of outlets, orders increased not only from the existing industries centered on physical distribution/warehouse-related businesses, which handle consumer electronics, beverages and others, but from new clients involved in sales promotion on a nationwide scale as well. As a result, operating results grew.

By region, orders from the Tokai and Chugoku regions increased in particular.

Furthermore, the number of client companies, which adopted the high-quality solution unique to the Group aimed at promoting qualitative improvements to help them improve operational efficiency, rose smoothly. This underpinned the results in the third quarter in review, though it had traditionally been a slack business season.

Meanwhile, in terms of SG&A, despite several factors to diminish income, including the cost of opening outlets and staffing actively as a result of that, the Group made effective use of information technology in recruiting staffs efficiently. Thereby, it was able to restrain the cost of employing registered staffs.

As a result, segment sales increased 40.4% from a year earlier to 7,608 million yen, with operating income rising 33.4% to 589 million yen.

Note: The high-quality solution can be defined as a new style of outsourcing aimed at improving productivity of a company by involving ourselves into improving work efficiency as well.

Factory Business

(Millions of yen)

Three months ended June 30	2004	2003	YoY change
Sales to external customers	3,043	2,503	21.6%
Inter-segment	4	13	(67.5%)
Total sales	3,047	2,516	21.1%
Operating income	85	76	12.0%
Operating income margin	2.8%	3.0%	–

In the Factory Business segment in the wake of the lifting of a ban on dispatching workers to production line work under the revised Worker Dispatch Law, which took effect as from March 1, 2004, Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd. made available the system, which allows a client company to choose between dispatching of temporary staffs and providing work by contract; thereby meeting its needs better.

Fullcast Factory, a specialist company that provides production line work for industries other than the automotive industry, saw orders from production lines for high-performance cellular phones with camera functionality and digital consumer electronics, such as DVD recorders with HDD or thin-type televisions, remained brisk from the first half of the fiscal year. In addition, orders from the food and beverage industries increased. Similarly, business performance by Fullcast Central, a specialist company the provides production line work for the automotive industry, grew further, thanks to a steady increase in orders not only from its main clients, but from new client companies as well.

In terms of SG&A, foreseeing the future expansion of business, the Company beefed up staffing actively. In consequence, personnel expenses increased and the cost of hiring also rose because recruiting activities became increasingly difficult as employment conditions became better and better.

As a result, segment sales increased 21.1% from the same period of the preceding year to 3,047 million yen, with operating income rising 12.0% to 85 million yen.

At the end of the reporting quarter there were a total of 42 outlets across the nation for the Spot Business, namely, 24 operated by Fullcast Factory, up 6 from the same period last year, and 18 by Fullcast Central, up 6.

Technology Business

(Millions of yen)

Three months ended June 30	2004	2003	YoY change
Sales to external customers	1,651	1,175	40.5%
Inter-segment	8	3	139.3%
Total sales	1,660	1,179	40.8%
Operating income	51	70	(26.9%)
Operating income margin	3.1%	6.0%	–

In the Technology Business, which is mainly specialized in dispatching technical experts, with a growing demand for semiconductors, personal computers and liquid crystal digital-related items as the backdrop, the information technology and electronics industries actively invested in research and development and plant and equipment. For this reason, there was a growing demand for technical experts. Against such background, the Company was able to assign 152 newly graduated engineers early. As a result, the utilization rate of engineers rose to 93.0% in the quarter in review. In this third quarter, due to the fact that personnel expenses incurred while newly graduates were trained bore down on profit earning, operating income fell temporarily. The unit cost of order continued to rise from the second quarter.

As a result, segment sales increased 40.8% from the same time last year to 1,660 million yen and operating income was 51 million yen, down 26.9% from the same time last year.

(2) Nine Months Consolidated Business Results Highlights Ending June 30, 2004

First quarter to Third quarter for FY 2004 (October 1, 2003 – June 30, 2004)
First quarter to Third quarter for FY 2003 (October 1, 2002 – June 30, 2003)

1) Consolidated

(Millions of yen)

	2004 (9 months)	2003 (9 months)	YoY change
Net sales	34,868	27,890	25.0%
Operating income	2,154	1,686	27.7%
Ordinary income	2,161	1,776	21.7%
Current net income	845	854	(1.1%)
Current net income per share	¥3,147.27	¥19,575.94	–

* As of November 20, 2003 we split common shares on a three-for-one-stock-split basis. And as of May 20, 2004 we split common shares on a two-for-one-stock-split basis. Current net income per share for nine months was calculated on the assumption that the stock split was carried out at the beginning of the period.

2) By business segment

Spot Business

(Millions of yen)

	2004 (9 months)	2003 (9 months)	YoY change
Sales to external customers	21,278	16,548	28.6%
Inter-segment sales	254	283	(10.3%)
Total sales	21,532	16,831	27.9%
Operating income	2,077	1,725	20.3%
Operating income margin	9.6%	10.3%	–

Factory Business

(Millions of yen)

	2004 (9 months)	2003 (9 months)	YoY change
Sales to external customers	8,938	7,766	15.1%
Inter-segment sales	30	28	6.5%
Total sales	8,968	7,795	15.1%
Operating income	371	357	4.0%
Operating income margin	4.1%	4.6%	–

Technology Business

(Millions of yen)

	2004 (9 months)	2003 (9 months)	YoY change
Sales to external customers	4,329	3,105	39.4%
Inter-segment sales	49	42	15.4%
Total sales	4,379	3,148	39.1%
Operating income	141	57	148.1%
Operating income margin	3.2%	1.8%	–

(3) Outlook for the September 2004 Fiscal Year

Projected consolidated business results for the fiscal year ending September 2004 and current status
(October 1, 2003 – September 30, 2004)

(Millions of yen)

	Q1 to Q3	Original projection for the fiscal year	Rate of progress
Net sales	34,868	48,000	72.6%
Ordinary income	2,161	3,200	67.6%
Current net income	845	1,300	65.0%

Reference: Estimated current net income per share (full year): 4,818.56 yen

* Estimated current net income per share was calculated on the assumption that stock split, which was implemented on November 20, 2003 (on a three-for-one stock split basis), and stock split, which was implemented on May 20, 2004 (on a two-for-one stock split basis), were implemented at the beginning of the accounting period.

Reference: Changes in consolidated business results forFY 2003 ending September30, 2003

(Millions of yen)

	1st Quarter Oct. – Dec. 2002	2nd Quarter Jan. – Mar. 2003	3rd Quarter Apr. – June 2003	Q1 to Q3	4th Quarter July – Sep. 2003	Full year
Net sales	9,066	9,650	9,173	27,890	10,054	37,945
Ordinary income	672	624	479	1,776	782	2,558
Current net income	331	208	314	854	342	1,196
Contributing ratio of current net income	23.9%	25.4%	24.2%	73.5%	26.5%	—

The Group expects to post consolidated net sales of 48,000 million yen, up 26.5% from a year earlier, consolidated ordinary income of 3,200 million yen, up 25.1%, and consolidated current net income of 1,300 million yen, up 8.6%, for the fiscal year ending September 30, 2004. Given the fact that as it stands, orders received are increasingly steadily, the projection for operating results the Company announced on May 10, 2004 remains unchanged.

The outlook by business segment is as follows:

1) Spot Business

In the Spot Business segment, thanks to our vigorous efforts to open outlets across the nation, those placed by the third quarter in review can be expected to begin contributing to operating results in the fourth quarter.

By industry, while orders from the amusement industry can be expected to continue to grow as the Company took Apayours Co., Ltd. under its wing, those not only from the physical distribution/warehouse industries, but from the advertising, event management and food industries will likely continue to increase as well.

Furthermore, Fullcast Office Support Co., Ltd. can expect orders for the Japanese version of PEO* to increase.

At the same time, Apayours, which became the Company's wholly owned subsidiary through equity swap, will work on rebuilding its profit-earning structure through deploying the system and reviewing expenses and others.

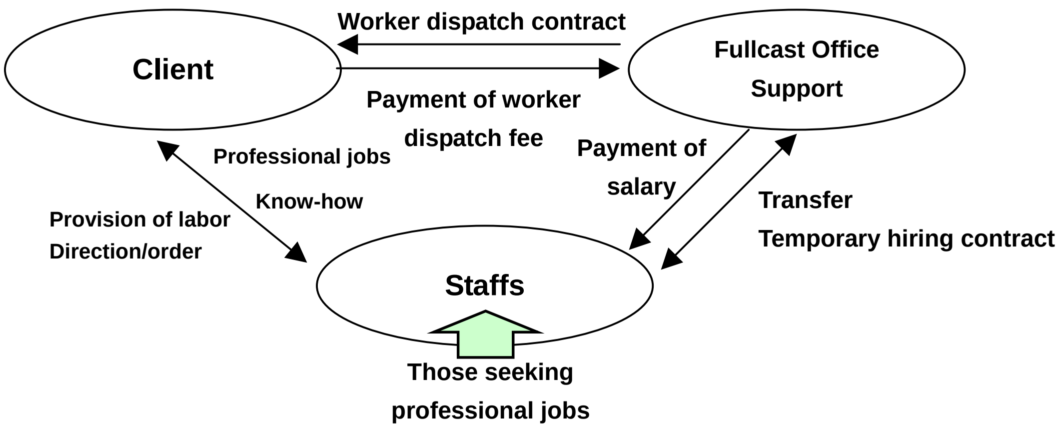
2) Factory Business

In the Factory Business segment orders can be expected to grow steadily from the manufacturing sector, which is the segment's main client. Also in the automotive industry, thanks to strong production trends among client companies, our operating results can be expected to grow further.

3) Technology Business
In the Technology Business segment the unit of dispatching technical experts can be expected to continue to grow steadily, serving as an engine of growth in operating results. Not only Fullcast Technology, but also the unit of dispatching engineers to the auto industry by Fullcast Central will likely expand, which can be expected to contribute to boosting profit as well.

*The Japanese version of professional employer organization (PEO) is a new business model, which is based on expertise on dispatching manpower, outplacement or providing outsourcing services the Company has. In the United States, PEO has spread rapidly and been established as an employment system. The Company adapted it to the Japanese actual business climate in compliance with the relevant laws and regulations.

Concept of the Japanese version of PEO



PEO (Professional Employer Organization) established in the U.S.

The PEO is a form of joint employment, which was created in the U.S. about 10 years ago and has been spreading rapidly. In accordance with a contract between a company and a PEO, they become a joint employer. While the PEO deals with various businesses involved in employment (the function of dealing with personnel/general affairs, such as income taxes or insurance) as the secondary employer, the company gives business direction or order and has authority over personnel issues as the primary employer. Salaries of employees will be paid by the PEO. Since in principle the PEO improves fringe benefits for employees at low cost with long-term employment as a precondition, it spread primarily among small- and medium-size companies first. It has come to be introduced by large companies as well by now. In the U.S. the size of the PEO market has grown at an annual rate of more than 30% and reached 72 billion dollars in 2003 (a little more than 7 trillion yen) and it is said to account for approx. 35% of sales by the human resources business segment (according to a projection by Staffing Industry Analysts, Inc.). Given the fact that the

National Association of Professional Employer Organization has already been established in the U.S., it has gained adequate social recognition as well.

Notes:

1. Comparisons with previous-year figures and planned figures are computed as follows:

   Previous-year comparisons = (This fiscal year figure – prior fiscal year figure)/Prior fiscal year figure x 100

2. Estimated current net income per share = Forecast for current net income applicable to common stock/ Estimated number of common stocks outstanding during the fiscal year ending September 30, 2004

Reference: Quarterly Results of Operations (Consolidated)

Fiscal year ending September 2004

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Full year
	Oct. – Dec. 2003	Jan. – Mar. 2004	Apr. – June 2004	July – Sep. 2004	Ending Sep. 2004
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Net sales	11,249	11,331	12,287	–	34,868
Gross profit	3,224	3,265	3,366	–	9,855
Operating income	813	781	560	–	2,154
Ordinary income	821	791	549	–	2,161
Income before income taxes and minority interests	824	815	223	–	1,863
Net income	415	479	(50)	–	845
	Yen	Yen	Yen	Yen	Yen
Net income per share	3,132.34	3,606.94	(184.43)	–	3,147.27
Diluted net income per share	3,124.52	3,592.60	–	–	3,133.05
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Total assets	15,689	16,649	18,193	–	18,193
Shareholders' equity	9,274	10,049	10,543	–	10,543
	Yen	Yen	Yen	Yen	Yen
Shareholders' equity per share	69,177.50	74,283.03	38,578.09	–	38,578.09
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Cash flows from operating activities	(1,384)	900	106	–	(377)
Cash flows from investing activities	(187)	(17)	133	–	(70)
Cash flows from financing activities	1,158	(778)	640	–	1,020
Cash and cash equivalents at end of period	4,737	4,842	5,723	–	5,723

Note: Net income per share for the 1st quarter to 3rd quarter and diluted net income per share for the 1st quarter and 2nd quarter of the fiscal year ending September 30, 2004 is calculated on the assumption that stock split, which was implemented on November 20, 2003 (on a three-for-one stock split basis) and on May 20, 2004 (on a two-for-one stock split basis), was implemented at the beginning of the accounting period. Diluted net income per share for the 3rd quarter is not reported since there is no outstanding potential stock.

Fiscal year ended September 2003

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Full year
	Oct. – Dec. 2002	Jan. – Mar. 2003	Apr. – June 2003	July – Sep. 2003	Ending Sep. 2003
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Net sales	9,066	9,650	9,173	10,054	37,945
Gross profit	2,652	2,821	2,586	2,938	10,998
Operating income	637	592	456	768	2,455
Ordinary income	672	624	479	782	2,558
Income before income taxes and minority interests	672	547	603	729	2,552
Net income	331	208	314	342	1,196
	Yen	Yen	Yen	Yen	Yen
Net income per share	7,637.99	4,764.38	7,179.04	7,792.92	27,373.46
Diluted net income per share	–	4,754.38	7,098.50	7,710.87	27,118.49
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Total assets	14,766	15,963	13,943	15,493	15,493
Shareholders' equity	7,707	8,029	8,332	8,719	8,719
	Yen	Yen	Yen	Yen	Yen
Shareholders' equity per share	177,402.01	183,441.13	190,057.46	198,486.00	198,486.00
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Cash flows from operating activities	(478)	822	675	526	1,545
Cash flows from investing activities	(196)	(287)	1,644	443	1,604
Cash flows from financing activities	584	(499)	(1,754)	(71)	(1,741)
Cash and cash equivalents at end of perioc	3,650	3,686	4,252	5,150	5,150

Note: Diluted net income per share (for the 1st quarter of 2003) is not reported since there is no outstanding potential stock.

Reference: Changes in Quarterly Business Results by Business Segment

Fiscal year ending September 2004 (October 1, 2003 – September 30, 2004)
Fiscal year ended September 2003 (October 1, 2002 – September 30, 2003)

(Millions of yen)

Spot Business		1st quarter	2nd quarter	3rd quarter	4th quarter	Total
Fiscal year ending September 2004	**(1) Sales to external customers**	**7,009**	**6,770**	**7,498**	**–**	**21,278**
	(2) Inter-segment sales or the amount of transfers	**54**	**88**	**110**	**–**	**254**
	Total	**7,064**	**6,859**	**7,608**	**–**	**21,532**
	Operating expenses	**6,270**	**6,165**	**7,019**	**–**	**19,455**
	Operating income or loss	**794**	**693**	**589**	**–**	**2,077**
	Operating income margin	**11.2%**	**10.1%**	**7.7%**	**–**	**9.6%**
Fiscal year ended September 2003	(1) Sales to external customers	5,626	5,555	5,366	5,657	22,205
	(2) Inter-segment sales or the amount of transfers	129	102	51	99	382
	Total	5,755	5,657	5,418	5,756	22,588
	Operating expenses	5,047	5,081	4,976	5,212	20,318
	Operating income or loss	708	575	441	544	2,269
	Operating income margin	12.3%	10.2%	8.2%	9.5%	10.0%

Factory Business		1st quarter	2nd quarter	3rd quarter	4th quarter	Total
Fiscal year ending September 2004	**(1) Sales to external customers**	**2,898**	**2,996**	**3,043**	**–**	**8,938**
	(2) Inter-segment sales or the amount of transfers	**15**	**10**	**4**	**–**	**30**
	Total	**2,914**	**3,006**	**3,047**	**–**	**8,968**
	Operating expenses	**2,775**	**2,859**	**2,961**	**–**	**8,596**
	Operating income or loss	**138**	**147**	**85**	**–**	**371**
	Operating income margin	**4.8%**	**4.9%**	**2.8%**	**–**	**4.1%**
Fiscal year ended September 2003	(1) Sales to external customers	2,458	2,804	2,503	2,946	10,713
	(2) Inter-segment sales or the amount of transfers	8	6	13	11	39
	Total	2,466	2,811	2,516	2,957	10,752
	Operating expenses	2,367	2,630	2,440	2,721	10,158
	Operating income or loss	99	181	76	236	594
	Operating income margin	4.0%	6.4%	3.0%	8.0%	5.5%

Technology Business		1st quarter	2nd quarter	3rd quarter	4th quarter	Total
Fiscal year ending September 2004	**(1) Sales to external customers**	**1,233**	**1,444**	**1,651**	**–**	**4,329**
	(2) Inter-segment sales or the amount of transfers	**–**	**41**	**8**	**–**	**49**
	Total	**1,233**	**1,485**	**1,660**	**–**	**4,379**
	Operating expenses	**1,222**	**1,407**	**1,608**	**–**	**4,237**
	Operating income or loss	**11**	**78**	**51**	**–**	**141**
	Operating income margin	**0.9%**	**5.3%**	**3.1%**	**–**	**3.2%**
Fiscal year ended September 2003	(1) Sales to external customers	887	1,042	1,175	1,207	4,313
	(2) Inter-segment sales or the amount of transfers	24	14	3	446	489
	Total	911	1,057	1,179	1,653	4,802
	Operating expenses	942	1,040	1,108	1,509	4,600
	Operating income or loss	(30)	17	70	144	201
	Operating income margin	(3.4%)	1.6%	6.0%	8.7%	4.2%

(4) Changes in Consolidated Financial Condition

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Third quarter of FY 2004	18,193	10,543	58.0	38,578.09
Third quarter of FY 2003	13,943	8,332	59.8	190,057.46

* Shares in the Company were split up on a one-for-three stock split basis as of November 20, 2003.

[Consolidated cash flows]

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Total amount for FY 2004	(377)	(70)	1,020	5,723
Total amount for FY 2003	1,019	1,161	(1,669)	4,252
(Reference)				
Third quarter ended June 2004	106	133	640	5,723
Third quarter ended June 2003	675	1,644	(1,754)	4,252

Changes in consolidated financial condition

At the end of the third quarter of the current accounting period, cash and cash equivalents totaled 5,723 million yen, 1,470 million yen more than the previous year.

Cash flows from operating activities

Net cash used in operating activities in the third quarter of the current accounting period was ¥377 million, compared with 1,019 million yen gained in the same time last year.

This was mainly due to the fact that net income before income taxes and minority interests was 1,863 million yen, trade receivable increased 522 million yen (trade payable increased 162 million yen) and income tax paid was 1,866 million yen.

Cash flows from investing activities

Net cash used in investing activities was 70 million yen, compared with 1,161 million yen used in the previous year.

This was mainly due to the fact that net income to acquire the shares of newly consolidated subsidiaries subject to change in scope of consolidation were 221 million yen, expenditures incurred to acquire tangible fixed assets as we opened outlets were 225 million yen and those incurred to acquire intangible fixed assets, such as software, were 172 million yen.

Cash flows from financing activities

Net cash provided by financing activities was 1,020 million yen, compared with 1,669 million yen used in the previous year.

The main reason was that while payments of dividends were 310 million yen and repayments of long-term borrowing were 206 million yen, short-term borrowing decreased 1,245 million yen and revenues from the issuance of shares through the exercise of incentive warrants were 349 million yen.

2. Consolidated Financial Statements for the Third Quarter

(1) Consolidated Balance Sheet for the Third Quarter

(Thousands of yen)

			As of June 30, 2004			As of June 30, 2003			As of September 30, 2003		
			Amount		%	Amount		%	Amount		%
	Assets										
I	Current assets										
1	Cash and deposits			5,245,581			3,752,194			4,650,781	
2	Trade notes and accounts receivables			5,948,485			4,365,279			5,018,484	
3	Securities			799,421			900,843			801,233	
4	Inventories			82,120			59,703			70,665	
5	Other current assets			738,394			919,657			576,139	
	Allowance for doubtful accounts			(67,496)			(62,715)			(56,894)	
	Total current assets			12,746,507	70.1		9,934,962	71.3		11,060,408	71.4
II	Fixed assets										
1	Tangible fixed assets										
(1)	Buildings and structures	*1	508,450			544,638			557,871		
	Accumulated depreciation		146,390	362,060		141,396	403,241		125,378	432,493	
(2)	Machinery and vehicles		43,996			26,438			25,900		
	Accumulated depreciation		24,826	19,170		11,391	15,047		12,791	13,108	
(3)	Furniture and fixtures		611,554			363,273			370,929		
	Accumulated depreciation		273,992	337,562		183,138	180,135		195,676	175,253	
(4)	Land	*1		606,469			606,469			606,469	
(5)	Constriction in progress			3,279			3,620			9,720	
	Total tangible fixed assets			1,328,541	7.3		1,208,513	8.6		1,237,044	8.0
2	Intangible fixed assets										
(1)	Software			692,576			316,249			644,336	
(2)	Other			88,831			333,574			58,262	
	Total intangible fixed assets			781,407	4.3		649,824	4.7		702,598	4.5
3	Investment and other assets										
(1)	Investment securities	*2		1,283,598			524,435			601,649	
(2)	Insurance reserve fund			997,657			730,629			809,927	
(3)	Other			1,105,320			930,275			1,118,276	
	Allowance for doubtful accounts			(49,123)			(35,538)			(36,355)	
	Total investment and other assets			3,337,453	18.3		2,149,802	15.4		2,493,497	16.1
	Total fixed assets			5,447,402	29.9		4,008,139	28.7		4,433,139	28.6
III	Deferred assets										
1	Discount on bond			—			24			16	
	Total deferred assets			—	—		24	0.0		16	0.0
	Total assets			18,193,909	100.0		13,943,127	100.0		15,493,565	100.0

(Thousands of yen)

		As of June 30, 2004		As of June 30, 2003		As of September 30, 2003	
		Amount	**%**	Amount	%	Amount	%
	Liabilities						
I	Current liabilities						
1	Short-term borrowings *1	**2,290,034**		900,000		900,000	
2	Current portion of long-term debt *1	**174,565**		289,245		247,314	
3	Accounts payable-other	**2,267,472**		1,785,115		2,059,843	
4	Accrued expenses payable	**1,057,341**		—		810,182	
5	Income taxes payable	**225,185**		609,925		1,162,544	
6	Accrued bonuses	**269,319**		209,052		449,017	
7	Other current liabilities	**343,955**		909,433		304,446	
	Total current liabilities	**6,627,873**	**36.4**	4,702,771	33.7	5,933,348	38.3
II	Fixed liabilities						
1	Long-term debt *1	**286,040**		419,605		373,386	
2	Allowance for employee retirement benefits	**292,362**		278,561		257,081	
3	Allowance for officers' retirement benefits	**2,728**		1,440		1,739	
4	Other fixed liabilities	**256,058**		90,314		70,189	
	Total fixed liabilities	**837,189**	**4.6**	789,920	5.7	702,395	4.5
	Total liabilities	**7,465,063**	**41.0**	5,492,692	39.4	6,635,744	42.8
	Minority interests						
	Minority interests	**184,977**	**1.0**	118,125	0.8	138,529	0.9
	Shareholders' equity						
I	Common stock	**3,464,100**	**19.0**	3,276,150	23.5	3,289,350	21.3
II	Capital surplus	**3,018,338**	**16.6**	2,501,009	17.9	2,514,473	16.2
III	Retained surplus	**3,799,403**	**20.9**	2,922,970	21.0	3,264,994	21.1
IV	Net unrealized holding gains on securities	**452,135**	**2.5**	13,146	0.1	31,440	0.2
V	Treasury stock	**(190,108)**	**(1.0)**	(380,966)	(2.7)	(380,966)	(2.5)
	Total shareholder's equity	**10,543,868**	**58.0**	8,332,308	59.8	8,719,291	56.3
	Total liabilities, minority interests and shareholders' equity	**18,193,909**	**100.0**	13,943,127	100.0	15,493,565	100.0

(2) Consolidated Profit and Loss Statement for the Third Quarter

(Thousands of yen)

			October 1, 2003 to June 30, 2004			October 1, 2002 to June 30, 2003			October 1, 2002 to September 30, 2003		
			Amount		**%**	Amount		%	Amount		%
I	Net sales			**34,868,629**	**100.0**		27,890,890	100.0		37,945,412	100.0
II	Cost of sales			**25,012,940**	**71.7**		19,830,482	71.1		26,946,684	71.0
	Gross profit			**9,855,688**	**28.3**		8,060,407	28.9		10,998,727	29.0
III	Selling, general and administrative expenses	*1		**7,701,057**	**22.1**		6,373,638	22.8		8,543,412	22.5
	Operating income			**2,154,631**	**6.2**		1,686,769	6.1		2,455,315	6.5
IV	Non-operating income										
1	Interest income		**5,012**			31,857			42,831		
2	Rental income		**17,006**			69,699			77,268		
3	Profit on investment in silent partner		**33,004**			42,666			57,746		
4	Equity in earnings of affiliates		**1,009**			5,364			6,721		
5	Other		**49,306**	**105,338**	**0.3**	38,838	188,426	0.7	79,208	263,775	0.7
V	Non-operating expenses										
1	Interest expense		**24,083**			45,584			53,003		
2	Amortization of software		**2,510**			7,500			10,000		
3	Other		**71,602**	**98,195**	**0.3**	45,925	99,010	0.4	97,428	160,432	0.4
	Ordinary income			**2,161,774**	**6.2**		1,776,184	6.4		2,558,658	6.8
VI	Extraordinary income										
1	Gain on sale of fixed assets	*2	**16**			109,486			109,486		
2	Gain on sale of investment securities		**29,161**			284			30,685		
3	Reversal of allowances for doubtful accounts		**12,867**			2,333			6,424		
4	Reversal of allowances for employee retirement benefits		**—**			—			14,906		
5	Reversal of allowances for officers' retirement benefits		**—**			648			648		
6	Life insurance surrendered value		**—**	**42,045**	**0.1**	4,806	117,559	0.4	4,806	166,958	0.4
VII	Extraordinary loss										
1	Loss on sales of fixed assets	*3	**—**			341			341		
2	Loss on disposal of fixed assets	*4	**3,521**			27,012			28,081		
3	Loss on sale of investment securities		**314**			3,225			3,318		
4	Loss on valuation of investment securities		**11,109**			24,064			43,567		
5	Loss on insurance cancellation		**7,188**			—			—		
6	Loss on relocation of the head office	*5	**—**			—			81,955		
7	Penalty	*6	**—**	**—**	**—**	16,001			16,001		
8	Consolidated adjustable accounts		**317,708**	**339,843**	**1.0**	—	70,645	0.3	—	173,266	0.5

	October 1, 2003 to June 30, 2004			October 1, 2002 to June 30, 2003			October 1, 2002 to September 30, 2003		
	Amount		**%**	Amount		%	Amount		%
Income before income taxes and minority interests		**1,863,977**	**5.3**		1,823,098	6.5		2,552,349	6.7
Current income taxes	**847,864**			930,700			1,479,602		
Deferred income taxes	**116,188**	**964,052**	**2.8**	(18,124)	912,576	3.2	(207,058)	1,272,543	3.4
Minority interests (or loss)		**54,516**	**0.1**		55,914	0.2		83,175	0.2
Net income		**845,407**	**2.4**		854,607	3.1		1,196,630	3.1

(3) Consolidated Retained Surplus Statement for the Third Quarter

(Thousands of yen)

		October 1, 2003 to June 30, 2004		October 1, 2002 to June 30, 2003		October 1, 2002 to September 30, 2003	
		Amount		Amount		Amount	
	Capital surplus						
I	Capital surplus at beginning of period	**2,514,473**	**2,514,473**	2,486,474	2,486,474	2,486,474	2,486,474
II	Increase in capital surplus						
1	New stock issuance	**178,245**		14,535		27,999	
2	Issuance of shares in connection with acquisition	**325,620**	**503,865**	—	14,535	—	27,999
III	Capital surplus at end of period		**3,018,338**		2,501,009		2,514,473
	Retained surplus						
I	Retained surplus at beginning of period	**3,264,994**	**3,264,994**	2,199,480	2,199,480	2,199,480	2,199,480
II	Increase in retained surplus						
1	Net income	**845,407**		854,607		1,196,630	
2	Increase in retained surplus for merger of consolidated subsidiary	**—**		24,763		24,763	
3	Increase in retained surplus on exclusion of equity method	**—**	**845,407**	—	879,370	0	1,221,395
III	Decrease in retained surplus						
1	Dividends paid	**310,998**		108,943		108,943	
2	Loss on disposal of treasury stock	**—**	**310,998**	46,938	155,881	46,938	155,881
IV	Retained surplus at end of period		**3,799,403**		2,922,970		3,264,994

(4) Consolidated Cash Flows Statement for the Third Quarter

(Thousands of yen)

		October 1, 2003 to June 30, 2004	October 1, 2002 to June 30, 2003	October 1, 2002 to September 30, 2003
		Amount	Amount	Amount
I	Cash flows from operating activities			
1	Income before income taxes and minority interests	**1,863,977**	1,823,098	2,552,349
2	Depreciation and amortization	**212,433**	176,149	237,265
3	Increase (decrease) in allowance for doubtful accounts	**(13,495)**	21,201	16,196
4	Increase (decrease) in allowance for bonuses	**(185,367)**	(104,414)	135,550
5	Increase in allowance for employee retirement benefits	**35,280**	49,989	28,509
6	Increase (decrease) in allowance for officers' retirement benefits	**989**	(962)	(663)
7	Interest and dividend income	**(9,286)**	(32,002)	(42,976)
8	Interest expenses	**24,083**	45,584	53,003
9	Gain on sale of fixed assets	**(16)**	(109,486)	(109,486)
10	Loss on sales of fixed assets	**—**	341	341
11	Loss on disposal of fixed assets	**3,521**	27,012	49,292
12	New stock issue expenses and amortization of discount on bonds	**6,078**	135	753
13	Profit on investment in anonymous partnerships	**(33,004)**	(42,666)	(57,746)
14	Gain from sales of investment securities	**(29,161)**	—	(30,685)
15	Loss on valuation of investment securities	**11,109**	24,064	43,567
16	Amortization of goodwill	**6,388**	6,136	8,717
17	Amortization of consolidated adjustment accounts	**319,040**	9,023	29,166
18	Equity in earnings of affiliates	**(1,009)**	(5,364)	(6,721)
19	Increase in trade receivable	**(522,354)**	(435,516)	(1,089,832)
20	Increase in inventories	**(9,669)**	(18,059)	(29,020)
21	Increase in trade payable	**162,257**	274,136	286,790
22	Increase in insurance reserve fund	**(186,514)**	—	(158,977)
23	Other	**(150,660)**	115,742	428,824
	Subtotal	**1,504,620**	1,824,144	2,344,220
24	Interest and dividend received	**8,825**	27,539	37,838
25	Interest paid	**(23,780)**	(43,423)	(50,733)
26	Income taxes paid	**(1,866,726)**	(789,234)	(785,495)
	Net cash provided by (used in) operating activities	**(377,060)**	1,019,025	1,545,830

		October 1, 2003 to June 30, 2004	October 1, 2002 to June 30, 2003	October 1, 2002 to September 30, 2003
		Amount	Amount	Amount
II	Cash flows from investing activities			
1	Purchase of time deposits	**(13,410)**	—	—
2	Purchase of securities	**(298,540)**	(299,700)	(299,700)
3	Proceeds from sales of securities	**300,000**	—	200,000
4	Purchase of tangible fixed assets	**(225,780)**	(178,587)	(188,696)
5	Proceeds from sales of tangible fixed assets	**65,021**	1,959,759	1,959,759
6	Purchase of intangible fixed assets	**(172,634)**	(210,569)	(294,696)
7	Proceeds from sales of intangible fixed assets	**6,221**	—	—
8	Purchase of investment securities	**(4,550)**	(117,474)	(323,934)
9	Proceeds from sales of investment securities	**52,081**	9,269	80,577
10	Purchase of shares in subsidiary	**(1,400)**	—	(27,000)
11	Net income to acquire the shares of newly consolidated subsidiaries subject to change in scope of consolidation *2	**221,201**	—	—
12	Advanced for loans receivable	**(36,679)**	(5,330)	(6,630)
13	Collection on loans receivable	**37,696**	4,191	504,973
14	Other	**(10)**	(330)	(329)
	Net cash provided by (used in) investing activities	**(70,783)**	1,161,228	1,604,324
III	Cash flows from financing activities			
1	Increase (decrease) in short-term borrowings	**1,245,034**	(429,100)	(429,100)
2	Proceeds from long-term debt	**—**	200,000	200,000
3	Repayments of long-term debt	**(206,995)**	(1,398,306)	(1,486,456)
4	Expenditure on redemption of corporate bonds	**(9,900)**	—	—
5	Issuance of common stock	**349,500**	28,500	54,900
6	Proceeds from sales of treasury stock	**—**	80,050	80,050
7	Payments of dividends	**(310,344)**	(108,943)	(107,156)
8	Payments of dividends to minority shareholders	**(8,000)**	—	—
9	Other	**(39,150)**	(42,042)	(53,361)
	Net cash provided by (used in) financing activities	**1,020,143**	(1,669,840)	(1,741,123)
IV	Exchange gain/loss on cash and cash equivalents	**8**	—	—
V	Net increase (decrease) in cash and cash equivalents	**572,308**	510,413	1,409,030
VI	Cash and cash equivalents at beginning of period	**5,150,894**	3,741,864	3,741,864
VII	Cash and cash equivalents at end of period *1	**5,723,203**	4,252,277	5,150,894

Significant Accounting Policies in the Preparation of the Third Quarter Financial Statements

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
1. Matters concerning the scope of consolidation	The accompanying financial statements include the accounts of the parent company and all six of its consolidated subsidiaries. Fullcast Office Support Co., Ltd. Fullcast Technology Co., Ltd. Fullcast Sports Co., Ltd. Fullcast Factory Co., Ltd. Fullcast Central Co., Ltd. Apayours Co., Ltd. Since Apayours Co., Ltd. has become a fully consolidated subsidiary through stock exchange as of June 1, 2004 in the third quarter of the current fiscal year, it is included in the scope of consolidation from the same day being taken as the reference date.	The accompanying financial statements include the accounts of the parent company and all five of its consolidated subsidiaries. Fullcast Office Support Co., Ltd. Fullcast Technology Co., Ltd. Fullcast Sports Co., Ltd. Fullcast Factory Co., Ltd. Fullcast Central Co., Ltd. Organizational changes in the third quarter of the current consolidated fiscal year were as follows: Fullcast With Co., Ltd. and Fullcast System Consulting Co., Ltd. merged on October 1, 2002 and the new entity formed through the merger was named Fullcast Technology Co., Ltd. Fullcast Lady Co., Ltd. was split and transferred a part of its business to the parent company on October 1, 2002. Following the split, the company was renamed Fullcast Office Support Co., Ltd. Fullcast HR Consulting Co., Ltd. was merged by Fullcast Office Support Co., Ltd. on January 1, 2003.	The accompanying financial statements include the accounts of the parent company and all five of its consolidated subsidiaries. Fullcast Office Support Co., Ltd. Fullcast Technology Co., Ltd. Fullcast Sports Co., Ltd. Fullcast Factory Co., Ltd. Fullcast Central Co., Ltd. Organizational changes in the fiscal year were as follows: Fullcast With Co., Ltd. and Fullcast System Consulting Co., Ltd. merged on October 1, 2002 and the new entity formed through the merger was named Fullcast Technology Co., Ltd. Fullcast Lady Co., Ltd. was split and transferred a part of its business to the parent company on October 1, 2002. Following the split, the company was renamed Fullcast Office Support Co., Ltd. Fullcast HR Consulting Co., Ltd. was merged by Fullcast Office Support Co., Ltd. on January 1, 2003.
2.Matters concerning the application of the equity method	(1) The accompanying financial statements include the accounts of the following affiliate accounted for by the equity method. (Equity methods are applied to all affiliates) Neo Career Inc.	(1) The accompanying financial statements include the accounts of the following two affiliates accounted for by the equity method. (Equity methods are applied to all affiliates) Adgrams Inc. Neo Career Inc.	(1) The accompanying financial statements include the accounts of the following affiliate accounted for by the equity method. (Equity methods are applied to all affiliates) Neo Career Inc. Adgrams Inc. sold parts of its shares on September 24, 2003. Due to its declined stockholding ratio as a result, it was excluded from the application of the equity method as of the same date.

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
	(2) —	(2) In case of the quarterly settlement date of the affiliates differs from ours, financial statements of their provisional settlement which is based on a half-years one are used as of the date of ending our third quarter.	(2) —
3. Matters concerning settlement date of consolidated subsidiaries	The following is a subsidiary whose account settlement date for the third quarter is different from the consolidated account settlement date for the third quarter. Company name: Apayours Co., Ltd. — Account settlement date: May 31 Consolidated financial statements are based on those temporarily closed pursuant to the final settlement of accounts as of the consolidated account settlement date. For your reference, at the general shareholders' meeting held on July 29, 2004, our account settlement date has been changed to September 30.	The third quarter settlement date of the consolidated subsidiaries are the same as the third quarter settlement date of the Company.	The fiscal year settlement date of the consolidated subsidiaries are the same as the settlement date of the Company.
4. Matters concerning significant accounting policies	(1) Valuation criteria and methods for principal assets a. Securities Other securities *Securities with market quotations* Other securities that have market value are carried at fair value on the third quarter settlement date. (Unrealized holding gain or loss is included in shareholders' equity. The cost of securities sold is determined by the weighted-average method.)	(1) Valuation criteria and methods for principal assets a. Securities Other securities *Securities with market quotations* Other securities that have market value are carried at fair value on the third quarter settlement date. (Unrealized holding gain or loss is included in shareholders' equity. The cost of securities sold is determined by the weighted-average method.) Embedded derivatives: Since it is not possible to measure embedded derivatives separately from their respective hybrid host contracts on the financial reporting date, entire contracts are treated as financial instruments and changes in their fair value are reported in net profit or loss.	(1) Valuation criteria and methods for principal assets a. Securities Other securities *Securities with market quotations* Other securities that have market value are carried at fair value on the fiscal year settlement date. (Unrealized holding gain or loss is included in shareholders' equity. The cost of securities sold is determined by the weighted-average method.) Embedded derivatives: Since it is not possible to measure embedded derivatives separately from their respective hybrid host contracts on the financial reporting date, entire contracts are treated as financial instruments and changes in their fair value are reported in net profit or loss.

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
	Securities without market quotations Securities without market quotations are stated at cost, cost being determined by the weighted-average method. b. <u>Derivatives</u> Market value method. c. <u>Inventories</u> *Raw materials and supplies* Raw materials and supplies are stated at cost determined primarily by the first-in-first-out method. *Work in process* Work in process is stated at cost, cost being determined by the specific identification method.	*Securities without market quotations* Same as on the left. b. <u>Derivatives</u> Same as on the left. c. <u>Inventories</u> *Raw materials and supplies* Same as on the left. *Work in process* Same as on the left.	*Securities without market quotations* Same as on the left. b. <u>Derivatives</u> Same as on the left. c. <u>Inventories</u> *Raw materials and supplies* Same as on the left. *Work in process* Same as on the left.
	(2) Depreciation method for major depreciable assets a. <u>Tangible fixed assets</u> Declining-balance method Depreciation on buildings (excluding furniture and fixtures) acquired on or after April 1, 1998 is computed using the straight-line method. The useful life of principal assets is as follows: Buildings and structures 3-56 years Machinery and vehicles 2-10 years Furniture and fixtures 2-10 years b. <u>Intangible fixed assets</u> Straight-line method The development costs of software intended for internal use are amortized over an expected useful life of 3-5 years by the straight-line method. As for software intended for commercial use, whichever larger amount is given, amortized value based upon estimated sales over an expected effective life of 3 years, or equated amortized value based upon the remaining marketable life.	(2) Depreciation method for major depreciable assets a. <u>Tangible fixed assets</u> Same as on the left. The useful life of principal assets is as follows: Buildings and structures 2-56 years Machinery and vehicles 2-10 years Furniture and fixtures 2-19 years b. <u>Intangible fixed assets</u> Straight-line method The development costs of software intended for internal use are amortized over an expected useful life of 3-5 years by the straight-line method.	(2) Depreciation method for major depreciable assets a. <u>Tangible fixed assets</u> Same as on the left. The useful life of principal assets is as follows: Buildings and structures 2-56 years Machinery and vehicles 2-10 years Furniture and fixtures 2-19 years b. <u>Intangible fixed assets</u> Straight-line method The development costs of software intended for internal use are amortized over an expected useful life of 3-5 years by the straight-line method. As for software intended for commercial use, whichever larger amount is given, amortized value based upon estimated sales over an expected effective life of 3 years, or equated amortized value based upon the remaining marketable life.

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
	(3) Deferred assets *New stock issue expenses* Expensed as accrued. *Discount on bond* Discount on bond is amortized using the straight-line method in accordance with the provisions of the Commercial Code of Japan.	(3) Deferred assets *New stock issue expenses* Same as on the left. *Discount on bond* Same as on the left.	(3) Deferred assets *New stock issue expenses* Same as on the left. *Discount on bond* Same as on the left.
	(4) Recognition of significant allowances a. Allowance for doubtful accounts To prepare for credit losses on accounts receivable and loans receivable etc., allowances equal to the estimated amount of uncollectible receivables are provided for general receivables based on the historical write-off ratio, and bad receivables based on case-by-case determination of collectibility.	(4) Recognition of significant allowances a. Allowance for doubtful accounts Same as on the left.	(4) Recognition of significant allowances a. Allowance for doubtful accounts Same as on the left.
	b. Accrued bonuses As a means of providing for bonus obligations, the Company designates in the reserve account an amount accrued for the third quarter among the estimated amount for the fiscal year.	b. Accrued bonuses Same as on the left.	b. Accrued bonuses As a means of providing for bonus obligations, the Company designates in the reserve account an estimated amount based on the actual bonus expense for the accounting period.
	c. Allowance for employee retirement benefits To provide for accrued employees' retirement benefits, the Company and part of its consolidated affiliates provide an allowance in the amount deemed to have accrued at the end of the third quarter based on projected benefit obligations and pension assets at the end of the third quarter. Actuarial differences are primarily amortized in the fiscal year in which they are recognized.	c. Allowance for employee retirement benefits To provide for accrued employees' retirement benefits, the Company provides an allowance in the amount deemed to have accrued at the end of the third quarter based on projected benefit obligations and pension assets at the end of the third quarter. Actuarial differences are primarily amortized in the fiscal year in which they are recognized.	c. Allowance for employee retirement benefits To provide for accrued employees' retirement benefits, the Company and part of its consolidated affiliates provide an allowance in the amount deemed to have accrued at the end of the fiscal year based on projected benefit obligations and pension assets at the end of the fiscal year. Actuarial differences are primarily amortized in the fiscal year in which they are recognized. (Additional information) As for one of the consolidated affiliates, to allow the provision of

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
			retirement benefits for employees, the amount that can be acknowledged to be accrued at end of this consolidated fiscal year had been appropriated based upon estimated amounts of retirement benefit debts and pension funds at end of this consolidated fiscal year. However, the board of directors decided to abolish this retirement benefit program on September 17, 2003. In the wake of this decision, the unused balance of this term of the balance of the retirement benefit allowance at end of this consolidated fiscal year of ¥14,906 thousand was withdrawn to be included in extraordinary income.
	d. Allowance for officers' retirement benefits To provide for accrued officers' severance benefits, the Company and certain consolidated subsidiaries provide an allowance for the aggregate amount payable at the end of the third quarter pursuant to the Company's rules on officers' retirement benefits.	d. Allowance for officers' retirement benefits Same as on the left.	d. Allowance for officers' retirement benefits To provide for accrued officers' severance benefits, the Company and certain consolidated subsidiaries provide an allowance for the aggregate amount payable at the end of the fiscal year pursuant to the Company's rules on officers' retirement benefits.
	(5) Translation of significant foreign currency-denominated assets and liabilities Foreign currency-denominated monetary assets and liabilities are translated into yen at the exchange rate in effect on the third quarter settlement date. Translation gain or loss is accounted as profit or loss.	(5) Translation of significant foreign currency-denominated assets and liabilities Same as on the left.	(5) Translation of significant foreign currency-denominated assets and liabilities Foreign currency-denominated monetary assets and liabilities are translated into yen at the exchange rate in effect on the fiscal year settlement date. Translation gain or loss is accounted as profit or loss.
	(6) Accounting for leases Finance leases other than those which are deemed to transfer the ownership of the leased assets to the lessees, are accounted for by the method similar to that applicable to ordinary operating leases.	(6) Accounting for leases Same as on the left.	(6) Accounting for leases Same as on the left.
	(7) Accounting for major hedges a. Hedge accounting method	(7) Accounting for major hedges a. Hedge accounting method	(7) Accounting for major hedges a. Hedge accounting method

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
	The company applies the deferred accounting method. Interest rate swap transactions that qualify for special treatment under Note 14 of the "Opinion Concerning Establishment of Accounting Standards for Financial Instruments" are accounted for by the short-cut method. b. <u>Hedge method and transactions</u> The hedge method and risk hedge are as follows: *Hedge method:* Interest rate swap *Risk hedged:* Interests on borrowings c. <u>Hedging policy</u> The Company uses hedge transactions to reduce interest rate risk. The responsible division executes all the derivative transactions the company enters into. Internal audit executive checks the procedures and ascertains the adequacy of individual derivative transactions. d. <u>Evaluation of hedge effectiveness</u> *Interest rate swap transactions* In principle, the Company assesses the effectiveness of individual hedge transactions at the end of consolidated fiscal year (including interim periods). The Company does not assess the effectiveness of a hedge transaction if there is a high correlation (principal, interest rate, period etc.) and high degree of effectiveness between the hedging instrument and the risk hedged. (8) Other significant accounting policies in the preparation of quarterly consolidated financial statements *Accounting for consumption taxes* All amounts stated are exclusive of national consumption tax and local consumption tax.	Same as on the left. b. <u>Hedge method and transactions</u> Same as on the left. c. <u>Hedging policy</u> Same as on the left. d. <u>Evaluation of hedge effectiveness</u> *Interest rate swap transactions* Same as on the left. (8) Other significant accounting policies in the preparation of quarterly consolidated financial statements *Accounting for consumption taxes* Same as on the left.	Same as on the left. b. <u>Hedge method and transactions</u> Same as on the left. c. <u>Hedging policy</u> Same as on the left. d. <u>Evaluation of hedge effectiveness</u> *Interest rate swap transactions* Same as on the left. (8) Other significant accounting policies in the preparation of consolidated financial statements *Accounting for consumption taxes* Same as on the left.
5. Scope of cash and cash equivalents on quarterly	They consists of vault cash, deposits that can be withdrawn on demand, and short-term	Same as on the left.	Same as on the left.

Item	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
consolidated cash flows statements	investments, with original maturities of three months or less, that are readily convertible to known amounts of cash and present insignificant risk of change in value.		

Reclassifications

Item	October 1, 2003 – June 30, 2004	October 1, 2002 – June 30, 2003
Accrued expenses payable	"Accrued expenses payable," reported as a component of "Other" in current liabilities in the third quarter of the previous consolidated fiscal year, is reclassified and listed separately as from the third quarter of the current consolidated fiscal year, given that the amount of "Accrued expenses payable" exceeds 5% of the total of liabilities, minority interest and capital. The "Accrued expenses payable" for the third quarter of the previous fiscal year was ¥556,011 thousand.	—
Proceeds from sale of investment securities	"Proceeds from sale of investment securities," reported as a component of "Other" in cash flows from operating activities in the third quarter of the previous consolidated fiscal year, is reclassified and listed separately as from the third quarter of the current consolidated fiscal year, given that the amount of "Proceeds from sale of investment securities" has increased materiality of impact on consolidated financial statements. The "Proceeds from sale of investment securities" for the third quarter of the previous fiscal year were ¥284 thousand.	—
Increase in insurance reserve fund	"Increase in insurance reserve fund," reported as a component of "Other" in cash flows from operating activities in the third quarter of the previous consolidated fiscal year, is reclassified an listed separately as from the third quarter of the current consolidated fiscal year, given that the amount of "Increase in insurance reserve fund" has increased materiality of impact on consolidated financial statements. The "Increase in insurance reserve fund" for the third quarter of the previous fiscal year was ¥79,680 thousand.	—

Notes on Financial Statements

Notes on consolidated balance sheet for the third quarter

(Thousands of yen)

<table>
<tr><th>As of June 30, 2004</th><th>As of June 30, 2003</th><th>As of September 30, 2003</th></tr>
<tr>
<td>*1. Assets pledged as collateral
Assets pledged as collateral were as follows:
Buildings and structures 235,354
Land 606,469
Total 841,823

Liabilities corresponding to assets pledged as collateral:
Short-term borrowings 1,100,000
Long-term debt 342,228
[Current portion of long-term debt] [75,568]
Total 1,442,228</td>
<td>*1. Assets pledged as collateral
Assets pledged as collateral were as follows:
Buildings and structures 245,786
Land 606,469
Total 852,255

Liabilities corresponding to assets pledged as collateral:
Short-term borrowings 600,000
Long-term debt 432,787
[Current portion of long-term debt] [90,559]
Total 1,032,787</td>
<td>*1. Assets pledged as collateral
Assets pledged as collateral were as follows:
Buildings and structures 243,091
Land 606,469
Total 849,560

Liabilities corresponding to assets pledged as collateral:
Short-term borrowings 500,000
Long-term debt 408,894
[Current portion of long-term debt] [85,558]
Total 908,894</td>
</tr>
<tr>
<td>*2.
—</td>
<td>*2.
—</td>
<td>*2. Non-consolidated subsidiary and affiliate stock includes the following:
Investment securities 9,791</td>
</tr>
<tr>
<td>*3. The Company and one of its consolidated subsidiaries signed an agreement for overdraft with eight banks to procure operating capital efficiently.
The balance of borrowing involved in the agreement for overdraft at the end of this third quarter is as follows:

Limit of overdraft account 6,300,000
Borrowing 1,800,000
Balance 4,500,000</td>
<td>*3.
—</td>
<td>*3. The Company and three of its consolidated subsidiaries signed an agreement for overdraft with seven banks to procure operating capital efficiently.
The balance of borrowing involved in the agreement for overdraft at the end of this consolidated fiscal year is as follows:

Limit of overdraft account 3,700,000
Borrowing 800,000
Balance 2,900,000</td>
</tr>
</table>

Notes on consolidated profit and loss statement for third quarter

(Thousands of yen)

Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
*1. Significant components of selling, general and administrative expenses Salaries and wages 2,303,743 Miscellaneous wages 1,195,347 Legal welfare 330,264 Provision of accrued bonuses 155,876 Retirement benefit expenses 117,753 Provision of allowance for officers' retirement benefit 989 Communications expenses 346,495 Advertisement and sales promotion 102,462 Travel and transportation 381,177 Rents 648,097 Depreciation and amortization 184,263 Recruitment expense 564,080 Provision of allowance for doubtful accounts 26,280	*1. Significant components of selling, general and administrative expenses Salaries and wages 1,896,808 Miscellaneous wages 989,969 Legal welfare 304,324 Provision of accrued bonuses 131,456 Retirement benefit expenses 143,432 Provision of allowance for officers' retirement benefit 896 Communications expenses 282,735 Advertisement and sales promotion 149,337 Travel and transportation 304,111 Rents 463,374 Depreciation and amortization 162,559 Recruitment expense 384,929 Provision of allowance for doubtful accounts 38,008	*1. Significant components of selling, general and administrative expenses Salaries and wages 2,466,512 Miscellaneous wages 1,335,796 Legal welfare 399,544 Provision of accrued bonuses 277,718 Retirement benefit expenses 171,175 Provision of allowance for officers' retirement benefit 1,195 Communications expenses 374,057 Advertisement and sales promotion 158,702 Travel and transportation 421,603 Rents 644,452 Depreciation and amortization 219,535 Recruitment expense 529,884 Provision of allowance for doubtful accounts 40,694
*2. Significant components of gain on sale of fixed assets Furniture and fixtures 16	*2. Significant components of gain on sale of fixed assets Machinery and vehicles 666 Furniture and fixtures 3,033 Land 105,786 Total 109,486	*2. Significant components of gain on sale of fixed assets Machinery and vehicles 666 Furniture and fixtures 3,033 Land 105,786 Total 109,486
*3. —	*3. Significant components of loss on sale of fixed assets Machinery and vehicles 341	*3. Significant components of loss on sale of fixed assets Machinery and vehicles 341
*4. Significant components of loss on disposal of fixed assets Buildings and structures 342 Machinery and vehicles 799 Furniture and fixtures 2,380 Total 3,521	*4. Significant components of loss on disposal of fixed assets Buildings and structures 370 Machinery and vehicles 5,103 Furniture and fixtures 3,710 Software 17,828 Total 27,012	*4. Significant components of loss on disposal of fixed assets Buildings and structures 370 Machinery and vehicles 5,164 Furniture and fixtures 4,718 Software 17,828 Total 28,081
*5. —	*5. —	*5. The expenses incurred in relocating the head office include the cost incurred in returning to the original condition, the labor cost and loss on retirement of fixed assets. The details of the loss on retirement of fixed assets, included as a component of the expenses incurred in relocating the head office, are as given below: Buildings and structures 20,543 Furniture and fixtures 667 Total 21,210
*6. —	*6. Penalty on lump-sum advance repayment of debt	*6. Penalty on lump-sum advance repayment of debt

Notes on consolidated cash flows statement for third quarter

(Thousand of yen)

<table>
<tr><th>Oct. 1, 2003 – Jun. 30, 2004</th><th>Oct. 1, 2002 – Jun. 30, 2003</th><th>Oct. 1, 2002 – Sep. 30, 2003</th></tr>
<tr><td>*1. Reconciliation of the third quarter consolidated balance sheet items to cash and cash equivalents in the third quarter consolidated cash flows statements
Cash and deposits 5,245,581
Fixed deposits with original maturities of over 3 months (22,410)
Money Management Fund 300,017
Free Financial Fund 200,014
Cash and cash equivalents 5,723,203</td><td>*1. Reconciliation of the third quarter consolidated balance sheet items to cash and cash equivalents in the third quarter consolidated cash flows statements
Cash and deposits 3,752,194
Money Management Fund 300,076
Free Financial Funds 200,006
Cash and cash equivalents 4,252,277</td><td>*1. Reconciliation of consolidated balance sheet items to cash and cash equivalents in fiscal year consolidated cash flows statements
Cash and deposits 4,650,781
Money Management Fund 300,104
Free Financial Funds 200,008
Cash and cash equivalents 5,150,894</td></tr>
<tr><td>*2. Major breakdown of assets and liabilities of a newly consolidated subsidiary
The following shows a breakdown of assets and liabilities at the start of consolidation of Apayours Co., Ltd. and the relation with net expenditure for acquisition of the company.
Current assets 652,029
Fixed assets 55,915
Consolidation adjustments 317,708
Current liabilities 498,161
Fixed liabilities 2,620
Acquisition price of the company’s shares 524,872
Self-stock substitution treasury stocks exchanged with the company’s share (524,872)
Cash and cash equivalents held by the company (229,596)
Cost for acquisition of the company 8,394
Net expenditure for acquisition of the company (221,201)</td><td>*2.
—</td><td>*2.
—</td></tr>
</table>

Securities

Third quarter of the current consolidated fiscal year (as of June 30, 2004)

Securities

1. Securities with market quotations classified as “Other”

(Thousands of yen)

	As of June 30, 2004		
Security	Acquisition cost	Carrying value	Unrealized gain/loss
(1) Equity securities	423,973	1,186,428	762,454
(2) Debt securities			
JGB’s and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds (Note)	—	—	—
(3) Other securities	—	—	—
Total	423,973	1,186,428	762,454

2. Securities without market quotations classified as “Other”

(Thousands of yen)

Security	Carrying value
Affiliate stock	10,800
Other securities without market quotations (excluding OTC shares)	86,369
Free Financial Fund	200,014
Money Management Fund	300,017
Commercial paper	299,389

Note: The amount after adjustment for impairment is given in “Equity securities” on the consolidated balance sheet for the third quarter. The amount of impairment was 11,109 thousand yen.

First half of the previous consolidated fiscal year (as of June 30, 2003)

Securities

1. Securities with market quotations classified as “Other”

(Thousands of yen)

	As of June 30, 2003		
Security	Acquisition cost	Carrying value	Unrealized gain/loss
(1) Equity securities	186,695	207,987	21,291
(2) Debt securities			
JGB’s and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds (Note)	499,916	501,290	1,373
(3) Other securities	—	—	—
Total	686,611	709,277	22,665

Note:
The hybrid (combined) instruments (200,000 thousand yen), included as a component of “Other securities,” were revalued on the consolidated third quarter settlement date, and revaluation profit and loss is reported. The hybrid (combined) instruments (acquisition cost) are reported at fair value.

2. Securities without market quotations classified as "Other"

(Thousands of yen)

Security	Carrying value
Affiliate stock	8,434
Other securities without market quotations (excluding OTC shares)	207,483
Free Financial Fund	200,006
Money Management Fund	300,076

Note: The amount after adjustment for impairment is given in "Equity securities" on the consolidated balance sheet for the third quarter. The amount of impairment was 24,064 thousand yen.

Previous consolidated fiscal year (As of September 30, 2003)

Securities

1. Securities with market quotations classified as "Other"

(Thousands of yen)

	As of September 30, 2003		
Security	Acquisition cost	Carrying value	Unrealized gain/loss
(1) Equity securities	352,155	403,877	51,721
(2) Debt securities			
JGB's and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds (Note)	300,000	301,120	1,120
(3) Other securities	—	—	—
Total	652,155	704,997	52,841

Note: The hybrid (combined) instruments (200,000 thousand yen), included as a component of "Other securities," were revalued on the consolidated settlement date, and revaluation profit and loss is reported. The hybrid (combined) instruments (acquisition cost) are reported at fair value.

2. Securities without market quotations classified as "Other"

(Thousands of yen)

Security	Carrying value
Affiliate stock	9,791
Other securities without market quotations (excluding OTC shares)	187,980
Free Financial Fund	200,008
Money Management Fund	300,104

Note: The amount after adjustment for impairment is given in "Equity securities" on the consolidated balance sheet.
The amount of impairment was 43,567 thousand yen.

Derivatives

Third quarter of the current consolidated fiscal year (as of June 30, 2004)

The company also enters into interest rate swap transactions. Interest rate swaps which qualify for hedge accounting are not reported.

Third quarter of the previous consolidated fiscal year (as of June 30, 2003)

Contract values and valuation gains and losses on embedded derivatives in hybrid (combined) instruments are reported in the notes to the section on Securities (1. Securities with market quotations classified as “Other”). The company also enters into interest rate swap transactions. Interest rate swaps which qualify for hedge accounting are not reported.

Previous consolidated fiscal year (as of September 30, 2003)

Contract values and valuation gains and losses on embedded derivatives in hybrid (combined) instruments are reported in the notes to the section on Securities (1. Securities with market quotations classified as “Other”). The company also enters into interest rate swap transactions. Interest rate swaps which qualify for hedge accounting are not reported.

Segment Information

(1) Information on the business segments

Third quarter of the current consolidated fiscal year (October 1, 2003 – June 30, 2004)

(Thousands of yen)

	Spot Business	Factory Business	Technology Business	Other Business	Total	Elimination or company total	Consolidated
Net sales and operating income Net sales (1) Sales to external customers	21,278,007	8,938,252	4,329,967	322,401	34,868,629	–	34,868,629
(2) Inter-segment sales or transfers	254,089	30,117	49,333	13,396	346,938	(346,938)	–
Total	21,532,097	8,968,370	4,379,301	335,798	35,215,567	(346,938)	34,868,629
Operating expenses	19,455,091	8,596,774	4,237,874	384,066	32,673,806	40,191	32,713,997
Operating income or loss	2,077,006	371,595	141,427	(48,268)	2,541,760	(387,129)	2,154,631

Notes:

1. The company's business activities are divided as given below for the purpose of internal management.
2. Business segments
   (1) Spot Business: Short-term contractual workers services, short-term employee dispatching services
   (2) Factory Business: Personnel outsourcing services for production line work
   (3) Technology Business: Human resources contracting of technical staff, engineer dispatching services, data communication services
   (4) Other Business: Agency services for professional athletes, restaurant and bar management
3. Of the operating expenses during the consolidated third quarter accounting period, the amount of funds, which can not be allocated, included in the elimination or company total item is 407,352 thousand yen. It is mainly expenses associated with the administrative departments of the parent company's head office, such as Accounting.

First half of the previous consolidated fiscal year (October 1, 2002 – June 30, 2003)

(Thousands of yen)

	Spot Business	Factory Business	Technology Business	Other Business	Total	Elimination or company total	Consolidated
Net sales and operating income Net sales (1) Sales to external customers	16,548,077	7,766,802	3,105,763	470,245	27,890,890	—	27,890,890
(2) Inter-segment sales or transfers	283,321	28,267	42,743	30,109	384,442	(384,442)	—
Total	16,831,398	7,795,070	3,148,507	500,355	28,275,332	(384,442)	27,890,890
Operating expenses	15,105,470	7,437,813	3,091,504	527,770	26,162,558	41,562	26,204,120
Operating income or loss	1,725,928	357,257	57,003	(27,451)	2,112,774	(426,004)	1,686,769

Notes:

1. The company's business activities are divided as given below for the purpose of internal management.
2. Business segments
   (1) Spot Business: Short-term contractual workers services, short-term employee dispatching services
   (2) Factory Business: Personnel outsourcing services for production line work
   (3) Technology Business: Human resources contracting of technical staff, engineer dispatching services, data communication services
   (4) Other Business: Employee search and placement services, agency services for professional athletes, restaurant chain franchisee, etc.

3. Of the operating expenses during the consolidated third quarter accounting period, the amount of funds, which can not be allocated, included in the elimination or company total item is 481,863 thousand yen. It is mainly expenses associated with the administrative departments of the parent company's head office, such as Accounting.

Previous consolidated fiscal year (October 1, 2002 – September 30, 2003)

(Thousands of yen)

	Spot Business	Factory Business	Technology Business	Other Business	Total	Elimination or company total	Consolidated
Net sales and operating income Net sales (1) Sales to external customers	22,205,911	10,713,647	4,313,317	712,535	37,945,412	–	37,945,412
(2) Inter-segment sales or transfers	382,414	39,293	489,027	53,246	963,982	(963,982)	–
Total	22,588,326	10,752,940	4,802,345	765,782	38,909,394	(963,982)	37,945,412
Operating expenses	20,318,356	10,158,932	4,600,921	741,118	35,819,328	(329,231)	35,490,096
Operating income or loss	2,269,970	594,007	201,424	24,663	3,090,065	(634,750)	2,455,315

Notes:

1. The company's business activities are divided as given below for the purpose of internal management.

2. Business segments

   (1) Spot Business: Short-term contractual workers services, short-term employee dispatching services
   (2) Factory Business: Personnel outsourcing services for production line work
   (3) Technology Business: Human resources contracting of technical staff, engineer dispatching services, data communication services
   (4) Other Business: Employee search and placement services, agency services for professional athletes, restaurant chain franchisee, etc.

3. Of the operating expenses during the consolidated accounting period, the amount of funds, which can not be allocated, included in the elimination or company total item is 581,355 thousand yen. It is mainly expenses associated with the administrative departments of the parent company's head office, such as Accounting.

Geographic segment information

Geographical segment information is not presented since the Company did not have consolidated subsidiaries or branches offices in other areas or regions than Japan in the current consolidated third quarter, the previous-year consolidated third quarter and the previous consolidated fiscal year.

Overseas sales

Overseas sales are not presented since they represent less than 10% of total consolidated net sales in the current consolidated third quarter, the previous-year consolidated third quarter and the previous consolidated fiscal year.

Per Share Information

Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
Shareholders' equity per share ¥38,578.09	Shareholders' equity per share ¥190,057.46	Shareholders' equity per share ¥198,486.00
Net income per share (basic) in Q3 ¥3,147.27	Net income per share (basic) in Q3 ¥19,575.94	Net income per share (basic) ¥27,373.46
Net income per share (diluted) in Q3 ¥3,133.05	Net income per share (diluted) in Q3 ¥19,454.73	Net income per share (diluted) ¥27,118.49

Notes:

1. The following is a reconciliation of net income per share (basic) and net income per share (diluted)

(Thousands of yen)

	Oct. 1, 2003 – Jun. 30, 2004	Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
Net income	845,407	854,607	1,196,630
Net income (basic)	845,407	854,607	1,196,630
Net income not available to common stock	–	–	–
Average number of common stock outstanding during the period	268,615 shares	43,656 shares	43,715 shares
Net income available to common stock after effect of dilutive stock	–	–	–
Effect of dilutive stock Stock acquisition rights	1,218 shares	272 shares	411 shares
Increase in common shares	1,218 shares	272 shares	411 shares
Potential stock not included in the calculation of net income per share (diluted) since it did not have dilative effect.	Stock options pursuant to the resolution of the general shareholders' meeting held on December 19, 2003. (Number of share acquisition rights to be issued: 2,229)	–	–

2. In this reporting third quarter the Company split common shares on a three-for-one-stock-split basis as of November 20, 2003 (number of shares issued: 89,658). And as of May 20, 2004 we split common shares on a two-for-one-stock-split basis (number of shares issued: 137,982).
   Current net income per share (basic) and current net income per share (diluted) were calculated on the assumption that the stock split was carried out at the beginning of the period.
   Per share information for the previous-year consolidated third quarter the prior consolidated fiscal year calculated on the assumption that this stock split was carried out at the beginning of the previous-year period is given as follows:

Oct. 1, 2002 – Jun. 30, 2003	Oct. 1, 2002 – Sep. 30, 2003
Shareholders' equity per share ¥31,676.24	Shareholders' equity per share ¥33,081.00
Net income per share (basic) in Q3 ¥3,262.65	Net income per share (basic) in Q3 ¥4,562.24
Net income per share (diluted) in Q3 ¥3,242.45	Net income per share (diluted) in Q3 ¥4,519.74