November 8, 2010

Consolidated Financial Results Announcement for the Fiscal Year Ended September 30, 2010

[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, Director and President
Contact: Jo Okada, CFO Telephone: +81-3-4530-4830
Date of Annual General Meeting of Shareholders (Planned): December 22, 2010
Date of submission of annual securities report (Planned): December 24, 2010
Date of dividend payments (Planned): –

1. Consolidated Financial Results for the Fiscal Year Ended September 30, 2010 (October 1, 2009 to September 30, 2010)

(Figures are rounded to the nearest one million yen.)
(Figures in percentages denote the year-on-year change)

(1) Consolidated business results

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended September 2010	36,084	-37.0	1,331	—	1,223	—	541	—
Fiscal year ended September 2009	57,293	-42.1	-682	—	-925	—	-6,870	—

	Net income per share	Diluted net income per share	ROE	Ratio of ordinary income to total capital	Ratio of operating income to sales
	Yen	Yen	%	%	%
Fiscal year ended September 2010	1,405.10	—	34.9	10.0	3.7
Fiscal year ended September 2009	-21,288.47	—	-155.0	-3.7	-1.2

Reference: Investment profit and loss on equity method
FY9/10: -13 million yen FY9/09: -70 million yen

(2) Consolidated financial condition

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Fiscal year ended September 2010	11,479	2,491	15.7	4,683.27
Fiscal year ended September 2009	13,072	1,724	9.9	3,357.40

Reference: Shareholders' equity
FY9/10: 1,802 million yen FY9/09: 1,292 million yen

(3) Consolidated cash flows position

	Net cash provided by (used in)			Cash and cash equivalents at the end of period
	Operating activities	Investing activities	Financing activities	
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended September 2010	1,951	-348	-1,651	4,867
Fiscal year ended September 2009	1,401	1,573	-7,937	4,914

2. Dividend Status

	Dividend per share (yen)					Total dividend (annual) (million yen)	Payout ratio (consolidated) (%)	Dividend on equity ratio (consolidated) (%)
(Base date)	End of Q1	End of Q2	End of Q3	End of Q4	End of FY			
Fiscal year ended September 2010	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended September 2009	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended September 2011 (forecast)	—	0.00	—	0.00	0.00		—	

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

(Percentage figures for the full year denote the year-on-year increase or decrease. Percentage figures for the interim period denote the increase or decrease from the previous interim period.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	18,961	5.1	898	116.6	857	136.6	791	–	2,055.27
Full year	38,393	6.4	2,125	59.6	2,057	68.2	1,749	223.4	4,544.46

4. Others

(1) Important changes of subsidiaries during the term (changes of specified subsidiaries that lead to a change in the scope of consolidation): Yes

New: 2 companies (company name: East Communication Inc., EKO-SYSTEM Inc.)

Eliminated: None

(Note) For details, please refer to page 15 "Corporate Group".

(2) Changes in accounting principles and procedures and the presentation method, etc. of consolidated financial statements (those which are included in changes to important matters that will be the bases for preparing consolidated financial statements)

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

2) Change other than 1): Yes

(Note) For details, please refer to the section entitled "4) Matters concerning significant accounting policies" of "(6) Significant Accounting Policies in the Preparation of the Consolidated Financial Statements" on page 27.

(3) Number of shares issued (common stock)

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

FY9/10: 395,964 shares FY9/09: 395,964 shares

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

FY9/10: 11,100 shares FY9/09: 11,100 shares

(Note) Please refer to page 43 "Per share information" for information regarding the number of shares used as a basis for calculating the diluted net income (consolidated) per share.

Reference: Non-consolidated Financial Results

1. Financial Results for the Fiscal Year Ended September 30, 2010
(October 1, 2009 – September 30, 2010)

(1) Business results

(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	%
Fiscal year ended September 2010	1,004	-54.2	542	-64.0	452	-68.4	57	–
Fiscal year ended September 2009	2,191	-92.9	1,505	335.1	1,430	-31.9	-2,002	–

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended September 2010	148.88	–
Fiscal year ended September 2009	-6,204.45	–

(2) Financial condition

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Fiscal year ended September 2010	5,592	100	1.8	260.91
Fiscal year ended September 2009	7,573	52	0.7	135.63

Reference: Shareholders' equity

FY9/10: 100 million yen FY9/09: 52 million yen

* Explanation of 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 judgement 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 Dispatch Law, and in interpretations of thereof. However, these factors that affect our financial results may not be 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 our business forecasts and related issues, please refer to "(1) 2) Outlook for the September 2011 Fiscal Year of "Appendix" on page 8.

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1. Results of Operations

(1) Analysis of Operating Results

1) Results of Operations for the Period

During the fiscal year under review, the Japanese economy was subject to the lingering effects of a widespread recession caused mainly by the Lehman Shock of two years ago. However, a gentle recovery was observed thanks to overseas economic reforms and to the results of emergency economic measures. However, due to factors such as a rapidly appreciating yen and a slowdown in the global economy, business confidence continues to be cautious regarding the future outlook. In the staffing service industry, there has been gentle improvement in overall indexes including the jobs-to-applicants ratio and the overall unemployment rate. However, corporations remain concerned over excessive employment and operating conditions remain severe.

Given this economic environment, our Group sought to achieve profitability in the fiscal year under review in accordance with our “New Three-year Plan” which was announced on May 8, 2009. We worked to strengthen our revenue base by focusing on our Short-term operational support business and by performing further restructuring of our sales support business.

In addition to downsizing through restructuring measures such as personnel cuts and consolidation of offices which were performed in the previous fiscal year, we also conducted sale of shares of our subsidiaries throughout the previous fiscal year. These activities resulted in net sales of 36,084 million yen (a 37.0% decline compared to the previous fiscal year).

In terms of profits, we recorded operating income in all of our business segments with the exception of the sales support business. We achieved consolidated operating income of 1,331 million yen (compared with an operating loss of 682 million yen in the previous fiscal year) and consolidated ordinary income of 1,223 million yen (compared with an ordinary loss of 925 million yen in the previous fiscal year).

We recorded extraordinary losses of 1,485 million yen, including loss on valuation of investment securities of 543 million yen, incurred business structure improvement expenses of 343 million yen, an allowance for employment adjustment of 200 million yen and head office transfer costs of 150 million yen. We recorded extraordinary income of 782 million yen, including a gain on change in equity of 359 million yen, gain on sales of subsidiaries and affiliates’ stocks of 185 million yen, and government subsidy received of 181 million yen. In total, we achieved a net income of 541 million yen for the fiscal year (compared with a net loss of 6,870 million yen in the previous fiscal year), and realized a return to profitability after restructuring.

Notes1 : In the previous fiscal year, the shares of Asia Pacific System Research Co., Ltd. and its consolidated subsidiaries, Info-P Co., Ltd., Fullcast Finance Co. Ltd., Fullcast Factory Co. Ltd., Fullcast Central Co. Ltd., and Net It Works Inc. were transferred and therefore excluded from the scope of consolidation. Additionally if the influence of the exclusion from the scope of the consolidation of these subsidiaries during the previous consolidated fiscal year is excluded, consolidated net sales would have declined by 11.1% year on year, and the operating loss of the same period of the previous year would be 786 million yen.

Financial results by business segment are as follows. Figures for the previous fiscal year reflect segment information in accordance with new business segments.

a) Short-term operational support business

Net sales of 22,737 million yen (a 4.8% decline compared to the previous fiscal year) were recorded due to continued stagnation in overall demand for personnel dispatching and to revisions of business scale associated with restructuring.

In terms of profits, despite a severe economic environment, an operating income of 1,583 million yen (compared with an operating loss of 408 million yen in the previous fiscal year) was recorded on the back of personnel cuts, consolidation of offices and other measures to reduce selling, general and administrative expenses and efforts to raise productivity through strengthened management.

Note 1 : When the influence of subsidiaries is excluded from the net results during the previous fiscal year, there was a year-on-year decline of 3.9% in net sales and a year-on-year loss of 404 million yen in operating income.

Note 2 : Starting in the first quarter of the current fiscal year, new business segments definitions have been applied. The clerical employee dispatching services that were included in “the Office business segment” in the fiscal year ended September 2009 are now included in “the Short-term operational support business”.

b) Sales support business

We acquired East Communication Inc. and EKO-SYSTEM Inc. as our subsidiaries and strengthened our call center business. However, the sales support business recorded net sales of 6,845 million yen (a 14.2% decline compared to the previous fiscal year) due to stagnant sales of main products in both direct sales and the agent sales business. Furthermore, in the third quarter, we responded to stagnant sales by withdrawing from the direct sales business and the mobile phone shop business, which also contributed to the decline.

In terms of profits, from the third quarter we reduce sales, general and administrative expenses by moving our headquarters and consolidating offices. However, we were unable to supplement the declined revenue, and we recorded operating losses of 165 million yen (compared with an operating loss of 1 million yen in the previous fiscal year).

Note 1 : There was no influence from subsidiaries excluded from the consolidated scope during the previous fiscal year.

Note 2 : Starting in the first quarter of the current fiscal year, new business segments have been applied. The clerical employee dispatching services that were included in “the Office business” segment in the fiscal year ended September 2009 are now included in “the Short-term operational support business”.

c) Technician dispatch business

We recorded net sales of 4,280 million yen (a 69.6% declined compared to the previous fiscal year) in the technician dispatch business, which was largely the result of business restructuring performed by selling subsidiaries in the previous fiscal year and reductions in the number of functioning personnel for technical dispatch when compared to the previous fiscal year associated with a restructuring of the business scale for Fullcast Technology Co., Ltd.

In terms of profits, we recorded operating income of 263 million yen (a 61.6% decline compared to the previous fiscal year). Despite the effect of restructuring, such as personnel cuts and a reduction in rent due to aggregation of company housing, this decline resulted primarily from the effect of declined profits caused by sale of subsidiaries in the previous fiscal year.

Note 1 : When excluding the influence of subsidiaries from net results during the previous fiscal year, there was a year-on-year decline of 34.0% in net sales and a operating income of 234 million yen.

Note 2 : There was no influence from changes in business segments which were performed from the consolidated first quarter of the current fiscal year.

d) Security, other businesses

Due to the effect of sale of subsidiaries in the previous fiscal year, the security, other business recorded net sales of 2,221 million yen (a 52.7% decline compared with the previous fiscal year).

In terms of profits, we recorded operating income of 77 million yen (a 22.2% decline compared to the previous fiscal year). Due to reductions in selling, general and administrative expenses through restructuring measures such as personnel cuts, we were able to maintain profitability despite a major fall in revenue when compared to the previous fiscal year.

Note 1 : When excluding the influence of subsidiaries from net results during the previous fiscal year, there was a year-on-year decline of 9.8% in net sales and a operating income of 7 million yen.

Note 2 : There was no influence from changes in business segments which were performed from the consolidated first quarter of the current fiscal year.

<Reference> Quarterly Results of Operations (Consolidated)

Fiscal year ended September 2010 (Million yen)

	1st Quarter Oct. – Dec. 2009	2nd Quarter Jan. – Mar. 2010	3rd Quarter Apr. – Jun. 2010	4th Quarter Jul. – Sep. 2010	Full year Ended Sep. 2010
Net sales	9,187	8,848	8,695	9,354	36,084
Gross profit	2,151	2,110	2,117	2,433	8,810
Operating income	279	136	194	723	1,331
Ordinary income	254	108	179	682	1,223
Net income or loss	-397	180	-50	807	541
Net income or loss per share (yen)	-1,030.61	468.44	-129.19	2,096.47	1,405.10
Total assets	11,332	11,247	10,737	11,479	11,479
Shareholders' equity	888	1,067	1,016	1,802	1,802
Shareholders' equity per share(yen)	2,307.79	2,773.50	2,641.09	4,683.27	4,683.27
Cash flows from operating activities	-79	468	807	755	1,951
Cash flows from investing activities	-129	72	261	-552	-348
Cash flows from financing activities	-480	-569	-517	-84	-1,651
Cash and cash equivalents at end of period	4,227	4,197	4,748	4,867	4,867

Fiscal year ended September 2009 (Million yen)

	1st Quarter Oct. – Dec. 2008	2nd Quarter Jan. – Mar. 2009	3rd Quarter Apr. – Jun. 2009	4th Quarter Jul. – Sep. 2009	Full year Ended Sep. 2009
Net sales	19,456	15,308	12,107	10,423	57,293
Gross profit	4,561	3,369	2,521	2,389	12,840
Operating income or loss	-273	-323	-273	187	-682
Ordinary income or loss	-282	-404	-367	128	-925
Net income or loss	-1,647	-1,135	-2,943	-1,146	-6,870
Net income or loss per share (yen)	-6,216.70	-4,286.20	-7,833.65	-2,977.53	-21,288.47
Total assets	28,510	24,451	20,051	13,072	13,072
Shareholders' equity	5,921	4,793	2,442	1,292	1,292
Shareholders' equity per share (yen)	22,356.16	18,095.89	6,344.24	3,357.40	3,357.40
Cash flows from operating activities	1,255	613	-628	160	1,401
Cash flows from investing activities	-464	219	-194	2,011	1,573
Cash flows from financing activities	-2,793	-1,146	16	-4,014	-7,937
Cash and cash equivalents at end of period	7,875	7,562	6,757	4,914	4,914

2) Outlook for the September 2011 Fiscal Year

Projected consolidated business results for the fiscal year ending September 2011
(October 1, 2010 – September 30, 2011) (Million yen)

	Fiscal year ended September 2010 Actual results	Fiscal year ending September 2011 Projection	Increase/ Decrease
Net sales	36,084	38,393	6.4%
Short-term operational support business	22,737	25,703	13.0%
Sales support business	6,845	5,423	-20.8%
Technician dispatch business	4,280	4,686	9.5%
Security, other businesses	2,221	2,580	16.2%
Operating income	1,331	2,125	59.7%
Ordinary income	1,223	2,057	68.2%
Net income	541	1,749	223.4%
Net income per share (yen)	1,405.10	4,544.46	—

(Note) 1. Estimated net income per share for the year ending September 2011 is calculated using the following formula.

$$\text{Estimated net income per share} = \frac{\text{Forecast for net income applicable to common stock}}{\text{Estimated number of common shares outstanding during the fiscal year ending September 30, 2011}}$$

The outlook by business segment is as follows:

a) Short-term operational support business

◇The business will achieve increased revenue and profits by strengthening links between groups in the Short-term operational support business such as implementing personnel exchange of group executives, consolidation and merging of group offices, and the unification of the group personnel system and by developing employee skills through improving the productivity and the strengthening management which are achieved by the standardization of office work and layout, revising the function of offices, increasing in the number of senior managers, enhancement of managers and leaders' training programs and adjustment of the management size.

b) Sales support business

◇In the call center business and agent sales business, in order to ensure the effectiveness of restructuring performed in the fiscal year ended September 2010, we will seek to achieve the stable profitability by strengthening the management system.

◇An increase in both sellers' and buyers' needs is forecast for the used mobile phone purchasing and sales business. The business seeks to achieve positive operating income by promoting expansion of franchises in this business.

c) Technician dispatch business

◇Although the demand for technician dispatch from development and design departments of companies in the manufacturing industry are encountering severe operating conditions, many forecast a continuation of a gentle recovery. The technician dispatch business will seek stable expansion of revenue by actively responding to new personnel needs.

◇The business Meet the needs of corporate customers and seek to improve added value by enhancing education and training for technicians.

d) Security, other businesses

◇Demand for the security business is steady and we will seek stable expansion of revenue.

(2) Analysis of the Financial Position

1) Assets, liabilities and net assets

At the end of the current fiscal year, our total consolidated assets declined by 1,593 million yen to 11,479 million yen. Shareholders' equity increased by 510 million yen to 1,802 million yen (shareholders' equity ratio of 15.7%) and net assets rose by 767 million yen to 2,491 million yen.

The Company declined its capital to compensate for the deficits based on a resolution of the Annual General Meeting of Shareholders held on December 22, 2009, which declined capital stock and capital surplus by 961 million yen and 1,169 million yen respectively, while retained earnings increased by 2,130 million yen. As a result, capital stock and capital surplus at the end of the current fiscal year stood at 2,780 million yen and 2,013 million yen respectively.

Major changes in assets and liabilities are as follows.

With regards to assets, current assets declined by 420 million yen from the end of the previous fiscal year to 9,737 million yen. This change is mainly attributed to a 103 yen million increase in cash and deposits to 5,017 million yen, a 71 million yen increase in notes and accounts receivable-trade to 4,112 million yen, and a 172 million yen increase in deferred tax assets to 186 million yen. Other factors contributing to the change were a 111 million yen declined in products to 23 million yen, as well as a 669 million yen declined in current assets to 408 million yen, which was caused by a declined in accounts receivable-trade.

Noncurrent assets declined by 1,173 million yen from the end of the previous fiscal year to 1,741 million yen. This change was mainly attributed to a 395 million yen declined in guarantee deposits to 643 million yen, which was associated with the transfer of the head office, and other factors. Furthermore, due to loss on valuation of investment securities declined by 370 million yen to 485 million yen.

With regards to liabilities, current liabilities declined by 634 million yen from the end of the previous fiscal year to 7,798 million yen. This change was due to a decline of 282 million yen to 1,730 million yen for the current portion of long-term loans payable based on agreed payment schedules. Furthermore, due to a decline in accrued consumption taxes, accounts payable declined by 191 million yen to 1,647 million yen.

Noncurrent liabilities declined by 1,725 million yen from the end of the previous fiscal year to 1,190 million yen. This change was mainly attributed to a 1,730 million yen decline to 670 million yen in long-term loans payable based on agreed payment schedules.

2) Cash flows

At the end of the fiscal year under review, cash and cash equivalents ("cash") declined by 47 million yen from the end of the previous fiscal year to 4,867 million yen as of the end of the current fiscal year (A decline of 4,963 million yen from the previous year).

(Cash flows from operating activities)

Accrued consumption taxes declined by 393 million yen, earnings from change in equity were 359 million yen, gain on sales of affiliated companies were 185 million yen, 135 million yen was paid in corporate taxes and 114 million yen was paid in interest. Furthermore, income before income taxes and minority interests was 520 million yen, depreciation and amortization was 326 million yen, loss on valuation of investment securities was 543 million, notes and accounts receivable-trade declined by 225 million yen, insurance funds declined by 245 million yen and accounts receivable-other declined by 271 million yen. Consequently, net cash provided by operating activities was 1,951 million yen. (In the previous year, net cash provided by operating activities was 1,401 million yen.)

(Cash flows from investing activities)

Sale of investments in subsidiaries led to income of 223 million yen, purchase of investment securities resulted in an outflow of 301 million yen, payments into time deposits resulted in an outflow of 300 million yen (income of 100 million yen due to proceeds from withdrawal of time deposits) and purchase of property, plant and equipment resulted in an outflow of 104 million yen. Therefore net cash used in investing activities was of 348 million yen. (In the previous year, net cash provided by investing activities was 1,573 million yen.)

(Cash flows from financing activities)

We realized income of 425 million yen from proceeds of stock issuance to minority shareholders due to third party placement by subsidiary companies. Furthermore, we saw an outflow for the repayment of long-term loans payable of 2,012 million yen. Consequently net cash used in financing activities was 1,651 million yen. (In the previous year, net cash used in financing activities was 7,937 million yen.)

Trends in Cash Flow Indexes

	Fiscal year ended September 2008	Fiscal year ended September 2009	Fiscal year ended September 2010
Shareholders' equity (Million yen)	7,573	1,292	1,802
Shareholders' equity ratio (%)	20.6	9.9	15.7
Ratio of interest-bearing debt to cash flow (%)	15,392.6	410.4	294.3
Interest coverage ratio (times)	0.4	8.4	16.1

Shareholders' equity = Total net assets – Stock subscription rights – Minority interest
Shareholders' equity ratio = shareholders' equity ÷ total assets x 100
Ratio of interest-bearing debt to cash flow = Interest-bearing debt ÷ Operating cash flow (before interest and corporate taxes)
Interest coverage ratio = Operating cash flow (before interest and corporate taxes) ÷ interest paid

Notes 1: Each index is calculated based upon consolidated financial figures.
2: For operating cash flows (before interest and corporate taxes, etc.), cash flows (before interest and corporate taxes, etc.) from operating activities in the consolidated cash flow statement are used.
3: All debt involving the payment of interest and stated in the consolidated balance sheet are included in interest-bearing debt.
4: For interest payment, the amount of interest paid in the consolidated cash flow statement is used.

(3) Fundamental Policy for Allocation of Earnings and Dividends for the Fiscal Year under Review and the Next Fiscal Year

The return of profits to shareholders as a means of cultivating intermediate to medium to long- term investors is an important management issue.

With regards to dividends, we will base the level of dividend payment on our earnings trends, profit growth, and investment plans. We plan to maintain two dividend payments per year, one at the end of both the interim and full year period. Furthermore as defined in our articles of incorporation, both interim and year-end dividend payments will be decided upon during our board of directors' meeting.

Since there is currently no amount available for distribution, we have decided to forgo paying interim and year-end dividends during the current term (year ended September 2010). Furthermore we expect to forgo dividend payment in the next term (year ended September 2011) as part of our effort to fortify our financial base. It is our goal to quickly establish stability in our business operations in order to begin paying dividends again and to promote growth in our various businesses.

(4) Risks Associated with Businesses

Major potential risk factors for the Group in the course of its operating businesses are described below. However, as part of our policy to be proactive in the disclosure of information to investors, the description may also include matters that do not necessarily fall under the category of business risk but may be regarded as important for investors in making investment decisions or understanding the Group's business activities. The Group seeks to proactively identify potential business risks, prevent their occurrence and take adequate measures to address them should they emerge nonetheless. The following statement may contain risk factors forecast for the future, although it is based on our best judgment as of the date of reporting of these financial statements.

1) The Group's Policy for Business Growth

We endeavor to raise our competitive position by strict adherence to corporate governance, achieving speed in the strategic decision making process of our management and in the implementation of various strategies. At the same time we will respond quickly to changes in the operating environment in each of our business segments by promoting a strategy of "selection and concentration" to create a restructured Group that is highly flexible. However in the event that our restructuring takes longer than anticipated, and the contribution to our earnings does not proceed as planned, our Group's earnings could be negatively impacted.

Furthermore we will promote the Short-term operational support business going forward by implementing a hiring policy designed to respond to the current employment conditions. But our Group's earnings could be seriously impacted in the event that the earnings of this business do not trend as expected, or should the amendment of the Worker dispatching law force us to take time in converting our business model.

In our Sales support business, we provide sales support for communication products and operate call center functions. However our earnings could be impacted in the event that this business's earnings do not trend as expected, if a large infusion of capital is required, or should the attractiveness of the products being sold deteriorate.

In addition we maintain a policy of selling shares in affiliates or marketable securities of companies which do not offer synergies with any of our Group's businesses. Also our Group's earnings could be profoundly impacted by implementation of impairment accounting during times when market capitalization or the actual value of companies whose shares we hold deteriorate.

2) Legal Regulations

a) Changes in Legal Regulations

Our Group earnings could be largely impacted by revisions or changes in the interpretation of the Worker dispatching law, Labor standards act, Employment security act, Workmen's accident compensation insurance law, Health insurance act, Employees pension insurance act, and other related laws resulting from changes surrounding the labor market.

In the future, there is the possibility that amendment to the Worker dispatching law could be approved by the Cabinet and passed by the Diet. If passed, the revised law would fundamentally prohibit registered worker dispatch excluding highly specialized work and worker dispatch with an employment period of 2 months or less. Going forward we will endeavor to create a business model that appropriately responds to the bill of the law, and will gradually shift our business to a model based on "short term worker introduction" and "short term outsourcing fo clerical employment tasks." In the future we will perform Short-term operational support business but our Group's earnings could be largely impacted by revisions and changes in the interpretation of law.

b) Employee Dispatching Service

The Group provides employee dispatching services under the license of Minister of Health, Labor and Welfare in accordance with the Worker dispatching law. If the Group should be subject to disqualification, our license could be cancelled, or orders to suspend or halt our operations could be issued.

The Group is committed to compliance and risk management to prevent any violation of laws and ordinances, but if lisences should be cancelled or if other measures should be taken, we may be prevented from providing employee dispatching services, which could seriously impact the performance of our Group.

c) Onsite Subcontracting Service

As an onsite subcontracting service provider based on sub-contracts, the Group completes its contracted work independently at the direct client company of such contract. In carrying out the work involved, we follow the commonly accepted practices (as defined in Notice No. 37 of 1986 by Japan's Ministry of Labour) that separates and distinguishes between the employee dispatching and the subcontracting business and other relevant laws and regulations. Prior to executing work, we confirm the details of the subcontracted tasks — such as their content, scope and the stipulated completion date with the client company.

However, in the event when any disparity should occur in the interpretation thereof with a client company as we perform these tasks, it may become difficult or impossible to collect our payment due, which could impact our Group's earnings.

d) Sharing of Social Insurance Contributions

With regards to social insurance participation, those workers who work for less than three quarters of normal working hours are excluded from participation. Furthermore, we employ similar participation guidelines with regards to the Employees' pension insurance act and the National health insurance law. The majority of staff hired in our Short-term operational support business is short term workers and are exempted from participation in the social insurance system.

Also, as a result of the revision implemented on April 1 2010 to the employment insurance system, the enrollment conditions for employment insurance was relaxed from "six months or more" to "31 days or more".

There is a possibility that amendment to the Worker dispatching law will prohibit worker dispatch of two months or less. This would result in increased numbers of workers being enrolled in social insurance over the medium to long-term worker dispatch. In such case, payments for social insurance would increase.

Furthermore, in conjunction with relaxed enrollment conditions for employment insurance, procedures for income and loss have become troublesome. Therefore, there is the possibility that fees for clerical work may also increase. In the event that we cannot pass along these higher costs to our customers in the form of higher prices or absorb them through increased efficiency of our overall operations and other cost cutting measures, our Group's earnings could be negatively impacted.

3) Managing the Database on Client Firms and Staff

Our Group always strives to provide staff most suited to the needs of client companies and deploy staff for clients promptly and efficiently. To facilitate this, the Group manages a database that contains information on staff work attitudes and experience by job classification as well as on clients.

To be prepared for the eventuality of a malfunction in a server, the Group is equipped with servers having duplicate functions to back-up a database. However, if these servers were fail simultaneously as a result of troubles such as earthquakes or other natural disasters, the Group's operations would be seriously impeded and its earnings may be negatively impacted.

In the future, we expect to make investments in information technologies as needed to help differentiate our Company from our competitors in terms of costs and services offered. Deterioration in the effectiveness of these investments could decline their contribution to sales and earnings growth.

To appropriately manage personal information and other data, we endeavor to prevent unauthorized access, as well as loss, destruction, falsification or unauthorized disclosure of personal information by establishing clear handling rules, strictly controlling access rights to the system and stepping up internal inspections. However, our Group earnings could be largely impacted if any security breaches of the personal information we maintain occur, the Group could lose the confidence of the public, and claims for damages could result.

Our information security and control system was strengthened to cover not only the personal information but also information assets required to continue business such as customer and sales information. In so doing, the Group continues to improve information security in its business activities.

4) Workplace Accidents and Transaction-Related Trouble

In the event that a staff dies, is injured or becomes ill at work or due to some causes attributable to the work, our Group, as an employer, may become responsible to pay compensation according to the relevant laws and regulations including the Labor standards law and the Workers' accident compensation insurance law. (Destination business owners that are our clients bear the employer's liability in accordance with the Industrial Safety and health law, and are obliged to protect the safety of staff in accordance with the Civil Code.)

The Group is enhancing staff awareness on safety by promoting occupational health and safety training, as well as safety equipment and releasing bulletins for on-the-job vigilance to prevent injury and illness. To provide better worker protection, the Group has taken out an insurance program to pay agreed claims as a Comprehensive general liability insurance. However, should an accident not covered by any of this insurance occur, the Group could be forced to pay damages on the grounds of neglecting its duty to safety and be liable for any illegal activity which is stipulated in labor contracts.

In addition, the Group could be sued or pressured to make other payments, on allegations of staff negligence, of the violation of a contract with a client or of our staff's illegal activities. Although the Group has a compliance system under which personnel in charge of legal affairs can handle various legal risks, the performance may suffer a serious impact through such an accident depending on its nature and the amount of money involved.

5) Securing and Retaining Employees

In order to improve employee retention, our Group implements measures to enhance employee training and to increase employee motivation. However, in the future, the loss of a greater than expected number of personnel could influence our Group's various business segments.

Also, the securing of skilled technicians is a major issue in the Technician dispatch business. In the event that we are unable to secure and retain technicians in accordance with our plan, our Group's earnings could be negatively impacted.

2. Corporate Group

Our Group is expanding the “Short-term operational support business” (providing timely short-term personnel services focusing on “blue collar” work in response to increases or declines in the amount of work at corporate customers), the “Sales support business” (operating the call center business and agent sales handling mainly communications equipment), the “Technician dispatch business” (providing technical personnel services focusing mainly on the design, development and manufacturing processes of the manufacturing industry), and the “Security, other businesses” (providing security services mainly for public facilities and ordinary corporations)

We provide a status of affiliated companies and a diagram of business activities as of September 30, 2010 below.

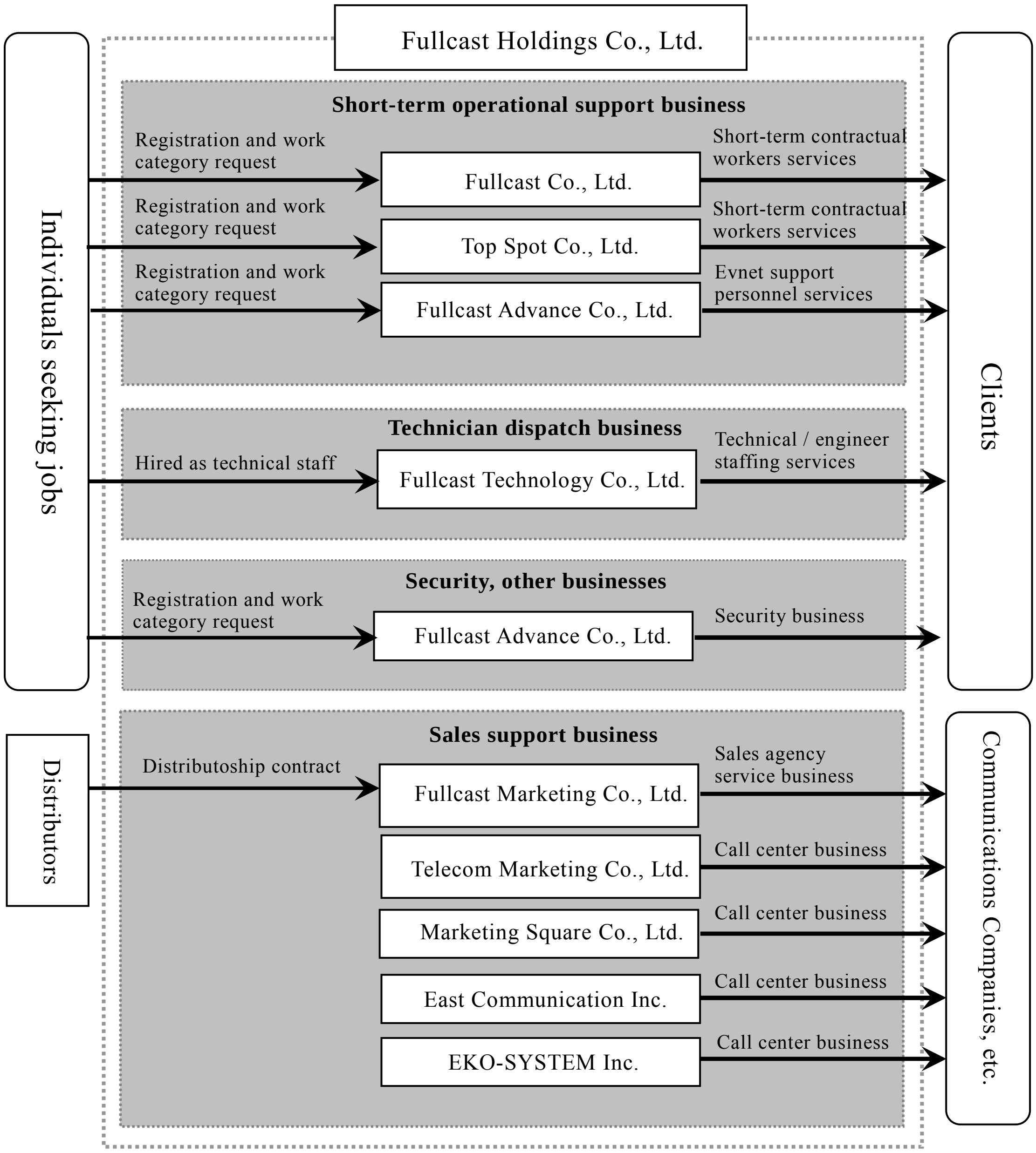
(1) Status of Affiliated Companies

Company	Location	Capital (mil. yen)	Major business activities	Voting shares (%)	Issues to be noted
Fullcast Co., Ltd.	Shinagawa-ku, Tokyo	80	Short-term operational support business	100.0	- Interlocking directorates: 3 - Provides financial support (borrowing and lending operating capital)
Top Spot Co., Ltd.	Shinagawa-ku, Tokyo	80	Short-term operational support business	100.0	- Interlocking directorates: 2 - Provides financial support (borrowing and lending operating capital)
Fullcast Marketing Co., Ltd.	Shinagawa-ku, Tokyo	293	Sales support business	54.4	- Interlocking directorates: 1 - Provides financial support (borrowing and lending operating capital)
Marketing Square Co., Ltd. *2	Shinagawa-ku, Tokyo	29	Sales support business	100.0 (100.0)	—
Telecom Marketing Co., Ltd.	Shinagawa-ku, Tokyo	90	Sales support business	65.0 (65.0)	- Interlocking directorates: 1
East Communication Inc.	Sapporo city, Hokkaido	90	Sales support business	51.0 (51.0)	- Interlocking directorates: 1
EKO-SYSTEM Inc.	Rumoi city, Hokkaido	90	Sales support business	51.0 (51.0)	- Interlocking directorates: 1
Fullcast Technology Co., Ltd.	Shibuya-ku, Tokyo	864	Technician dispatch business	68.6	- Interlocking directorates: 3
Fullcast AdvanceCo., Ltd	Shinagawa-ku, Tokyo	80	Security, other businesses Short-term operational support business	100.0	- Interlocking directorates: 2 - Provides financial support (borrowing and lending operating capital)
Fullcast Business Support Co., Ltd.	Shinagawa-ku, Tokyo	9	Entire company	100.0	- Interlocking directorates: 1 - Provides financial support (borrowing and lending operating capital)

Notes 1: The “Major business activities” category follows the business segment classification.
2: Marketing Square Co., Ltd. was merged into Telecom Marketing Co., Ltd. on October 1 2010.
3: The number inside the parenthesis for “Voting shares (%)” is the ratio of indirect ownership (included number).

(2) Diagram of Business Activities

A diagram of business activities is shown below:



Note1: The above diagram is current as of September 30, 2010.
2: Marketing Square Co., Ltd. was merged into Telecom Marketing Co., Ltd. on October 1, 2010.

3. Management Policies

(1) Fundamental Management Policies

The fundamental philosophy of our Group is "to contribute to society by providing employment opportunities that place importance on helping people grow and develop." The Group aims to remain its status as an organization that can provide employment opportunities where people can fully utilize their experience at all stages of their lives. The Group also endeavors to maximize corporate value by implementing management initiatives from the standpoint of all stakeholders including shareholders, customers and employees.

(2) Target Management Indicators

The Group aims to maintain ROE (return on equity) of more than 20% and increase corporate value by focusing on a balance between profitability and growth, while maintaining financial soundness.

(3) Medium- and Long-Term Management Strategies

With the highest priority assigned to compliance as the basic assumption of our management, we are working to establish an operating base capable of sustained growth by focusing on our "Short-term operational support business" and by ensuring thorough group-wide corporate governance that fully utilizes the functionality of a holding company.

(4) Key Management Issues

The year ended September 2009 was the first fiscal year of the "New Three Year Plan", our intermediate plan which was announced on May 8 2009. During the period, we used the plan as a basis for implementing restructuring which focused on personnel cuts and consolidation of offices. The current fiscal year was the second fiscal year of the plan, and we conducted business with the goal of achieving profitability. The September 2011 period will be the final year of the plan, and we will work to realize increased revenue and profits by further strengthening our operating base. At the same time, we will transform our business model for the Short-term operational support business by considering potential amendments to the worker dispatch law. In the future we will continue to promote rationalization as a means of fortifying our management structure, while giving the highest priority to compliance. We also seek to restore the confidence of all our stakeholders in our Company.

We will address the following issues by each business section:

①Short-term operational business	a) Maintain, raise the level of our compliance
	b) Convert our business model to one based on introduction of jobs in response to changes in worker dispatch laws
	c) Realize increased revenue and profit
	d) Increase employee skills
②Sales support business	a) Strengthen management to obtain stable revenue
	b) Realize steady expansion in the used mobile phone purchasing/sales business
③Technician dispatch business	a) Acquire excellent engineers in each field
	b) Maintain, raise capacity utilization rates of technicians
	c) Reduce costs and reinforce quality control
④Security, other businesses	a) Reduce costs by streamlining operations
	b) Increase the receipt of security work by renovating our sales system
	c) Maintain, raise the level of our compliance

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Million yen)

	End of consolidated accounting period for the previous fiscal year (September 30, 2009)	End of consolidated accounting period for the current fiscal year (September 30, 2010)
ASSETS		
Current assets		
Cash and deposits	4,914	5,017
Notes and accounts receivable-trade	4,041	4,112
Merchandise	134	23
Work in process	1	1
Supplies	39	13
Deferred tax asset	14	186
Other	1,076	408
Allowance for doubtful accounts	-62	-24
Total current assets	10,157	9,737
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	204	136
Accumulated depreciation and impairment loss	-88	-55
Buildings and structures, net	116	81
Machinery and vehicles	4	2
Accumulated depreciation and impairment loss	-3	-2
Machinery and vehicles, net	1	0
Tools, furniture and fixtures	676	1,327
Accumulated depreciation and impairment loss	-529	-1,171
Tools, furniture and fixtures, net	147	156
Total property, plant and equipment	263	237
Intangible assets		
Software	398	211
Goodwill	39	—
Other	27	27
Total intangible assets	464	237
Investments and other assets		
Investment securities	*2 855	*2 485
Long-term loans receivable	1	0
Insurance funds	254	—
Guarantee deposits	1,038	643
Deferred tax assets	14	63
Other	145	152
Allowance for doubtful accounts	-119	-76
Total investments and other assets	2,187	1,267
Total noncurrent assets	2,914	1,741
Total assets	13,072	11,479

(Million yen)

	End of consolidated accounting period for the previous fiscal year (September 30, 2009)	End of consolidated accounting period for the current fiscal year (September 30, 2010)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	210	72
Short-term loans payable	※1 3,011	※1 3,011
Current portion of long-term loans payable	2,012	1,730
Accounts payable-other	1,837	1,647
Accrued expenses	706	749
Income taxes payable	100	132
Deferred tax liabilities	2	0
Provision for bonuses	290	243
Allowance for cancellation adjustments	91	9
Other	173	205
Total current liabilities	8,432	7,798
Noncurrent liabilities		
Long-term loans payable	2,400	670
Deferred tax liabilities	10	5
Provision for retirement benefits	495	482
Negative goodwill	―	22
Other	10	12
Total noncurrent liabilities	2,915	1,190
Total liabilities	11,347	8,988
NET ASSETS		
Shareholders' equity		
Capital stock	3,741	2,780
Capital surplus	3,183	2,013
Retained earnings	-2,893	-222
Treasury stock	-2,747	-2,747
Total shareholders' equity	1,284	1,825
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	8	-23
Total valuation and translation adjustments	8	-23
Minority interests	432	688
Total net assets	1,724	2,491
Total liabilities and net assets	13,072	11,479

(2) Consolidated Profit and Loss Statement

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Net sales	57,293	36,084
Cost of sales	44,454	27,273
Gross profit	12,840	8,810
Selling, general and administrative expenses		
Salaries and bonuses	4,677	2,693
Other salaries	796	261
Legal welfare expenses	774	419
Provision for bonuses	133	133
Retirement benefit expenses	189	23
Communication expenses	474	416
Advertising expenses	218	242
Traveling and transportation expenses	543	304
Rents	1,688	878
Depreciation	523	321
Recruitment expense	269	81
Provision of allowance for doubtful accounts	156	11
Amortization of goodwill	190	15
Other	2,894	1,682
Total selling, general and administrative expenses	13,522	7,479
Operating income (loss)	-682	1,331
Non-operating income		
Interest income	8	2
Dividends income	45	11
Real estate rent	166	—
Gain on equity method investments	56	43
Other	113	73
Total non-operating income	389	130
Non-operating expenses		
Interest expenses	215	111
Rent cost of real estate	164	—
Stock issuance cost	4	—
Equity in losses of affiliates	70	13
Other	179	113
Total non-operating expenses	632	238
Ordinary income (loss)	-925	1,223

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Extraordinary income		
Gain on sales of noncurrent assets	※1 203	※1 0
Gain on sales of investment securities	1	7
Gain on sales of subsidiaries and affiliates' stocks	625	185
Gain on change in equity	—	359
Reversal of allowance for doubtful accounts	41	36
Gain on transfer of business	2	2
Government subsidy received	340	181
Surrender value of insurance	—	12
Total extraordinary income	1,211	782
Extraordinary loss		
Loss on sales of noncurrent assets	※2 106	※2 2
Loss on retirement of noncurrent assets	※3 101	※3 17
Loss on sales of investment securities	13	—
Loss on sales of stocks of subsidiaries and affiliates	1,218	—
Loss on valuation of investment securities	60	543
Loss on insurance cancellation	68	3
Impairment loss	※4 1,101	※4 23
Loss on closing of stores	※5 650	※5 105
Expenses for withdrawal from training base	※6 4	※6 —
Head office transfer cost	※7 293	※7 150
Special retirement expenses	※8 586	※8 45
Allowance for employment adjustment	469	200
Loss on loan write-off	※9 950	※9 —
Loss on the transfer of receivables	※10 950	※10 —
Cancellation loss of dormitory	107	13
Litigation expenses	—	30
Expenses for business structure improvement	※11 —	※11 343
Other	—	12
Total extraordinary losses	6,676	1,485
Income (loss) before income taxes and minority interests	-6,390	520
Income taxes-current	297	132
Refund of income taxes	-120	—
Income taxes-deferred	566	-212
Total income taxes	743	-80
Minority interests in income (loss)	-263	59
Net income (loss)	-6,870	541

(3) Consolidated Statements of Shareholders' Equity

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,464	3,741
Changes of items during the period		
Issuance of new shares	277	—
Capital reduction	—	-961
Total changes of items during the period	277	-961
Balance at the end of current period	3,741	2,780
Capital surplus		
Balance at the end of previous period	2,906	3,183
Changes of items during the period		
Issuance of new shares	277	—
Capital reduction	—	961
Deficit disposition	—	-2,130
Total changes of items during the period	277	-1,169
Balance at the end of current period	3,183	2,013
Retained earnings		
Balance at the end of previous period	3,978	-2,893
Changes of items during the period		
Deficit disposition	—	2,130
Net income (loss)	-6,870	541
Total changes of items during the period	-6,870	2,671
Balance at the end of current period	-2,893	-222
Treasury stock		
Balance at the end of previous period	-2,747	-2,747
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	-2,747	-2,747
Total shareholders' equity		
Balance at the end of previous period	7,601	1,284
Changes of items during the period		
Issuance of new shares	553	—
Capital reduction	—	—
Deficit disposition	—	—
Net income (loss)	-6,870	541
Total changes of items during the period	-6,317	541
Balance at the end of current period	1,284	1,825

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	-28	8
Changes of items during the period		
Net changes of items other than shareholders' equity	36	-30
Total changes of items during the period	36	-30
Balance at the end of current period	8	-23
Total valuation and translation adjustments		
Balance at the end of previous period	-28	8
Changes of items during the period		
Net changes of items other than shareholders' equity	36	-30
Total changes of items during the period	36	-30
Balance at the end of current period	8	-23
Minority interests		
Balance at the end of previous period	3,396	432
Changes of items during the period		
Net changes of items other than shareholders' equity	-2,964	256
Total changes of items during the period	-2,964	256
Balance at the end of current period	432	688
Total net assets		
Balance at the end of previous period	10,969	1,724
Changes of items during the period		
Issuance of new shares	553	—
Net income (loss)	-6,870	541
Net changes of items other than shareholders' equity	-2,928	226
Total changes of items during the period	-9,245	767
Balance at the end of current period	1,724	2,491

(4) Consolidated Cash Flows Statement

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Net cash provided by (used in) operating activities		
Income (loss) before income taxes and minority interests	-6,390	520
Depreciation and amortization	542	326
Impairment loss	1,101	23
Increase (decrease) in allowance for doubtful accounts	83	-83
Increase (decrease) in provision for bonuses	-659	-54
Increase (decrease) in provision for retirement benefits	-19	-16
Increse (decrease) in allowance for cancellation	-114	-82
Interest and dividends income	-54	-14
Interest expenses	215	111
Loss (gain) on sales of noncurrent assets	-97	2
Loss on retirement of noncurrent assets	101	17
Loss (gain) on transfer of business	-2	-2
Loss on loan write-off	950	—
Loss on the transfer of receivables	950	—
Bad debts expenses	21	9
Loss (gain) on sales of investment securities	12	-7
Loss (gain) on sales of stocks of subsidiaries and affiliates	594	-185
Loss (gain) on valuation of investment securities	60	543
Stock issuance cost	4	—
Amortization of goodwill	190	15
Equity in (earnings) losses of affiliates	70	13
Loss (gain) on change in equity	—	-359
Decrease (increase) in notes and accounts receivable-trade	4,196	225
Decrease (increase) in inventories	24	136
Increase (decrease) in notes and accounts payable-trade	-57	-49
Increase (decrease) in accrued expenses	-1,358	-69
Decrease (increase) in insurance funds	394	245
Decrease (increase) in accounts receivable-other	-223	271
Increase (decrease) in accrued consumption taxes	598	-393
Other, net	676	696
Subtotal	1,809	1,839
Interest and dividends income received	54	14
Interest expenses paid	-216	-114
Income taxes paid	-737	-135
Income taxes refund	491	348
Net cash provided by (used in) operating activities	1,401	1,951

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Net cash provided by (used in) investing activities		
Payments into time deposits	—	-300
Proceeds from withdrawal of time deposits	—	100
Purchase of property, plant and equipment	-97	-104
Proceeds from sales of property, plant and equipment	959	1
Purchase of intangible assets	-103	-23
Purchase of investment securities	-1	-301
Proceeds from sales of investment securities	121	68
Payments of loans receivable	-2	-530
Collection of loans receivable	6	531
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	※2 1,462	※2 —
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	※2 -792	※2 —
Purchase of investments in subsidiaries resulting in change in scope of consolidation	※3 —	※3 -13
Proceeds from sales of investments in subsidiaries	—	223
Purchase of investments in subsidiaries	—	-20
Proceeds from transfer of business	19	21
Other, net	—	-1
Net cash provided by (used in) investing activities	1,573	-348
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-4,833	-27
Repayment of long-term loans payable	-3,667	-2,012
Proceeds from issuance of common stock	553	—
Proceeds from stock issuance to minority shareholders	32	425
Cash dividends paid	-2	-0
Cash dividends paid to minority shareholders	-14	—
Other, net	-4	-36
Net cash provided by (used in) financing activities	-7,937	-1,651
Net increase (decrease) in cash and cash equivalents	-4,963	-47
Cash and cash equivalents at beginning of period	9,878	4,914
Cash and cash equivalents at end of period	※1 4,914	※1 4,867

(5) Concerning notes about going concern assumption

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
The operating environment surrounding our Company remains difficult with the sharp slowing in the Japanese economy and labor market, compounded by the cease order levied against Fullcast Co., Ltd. by the Tokyo Labor Bureau. Consequently during the year under review our consolidated sales declined by a large 42.1% year-over-year and we incurred an operating loss of 682 million yen. Against this backdrop and as of the announcement of the current fiscal year, we are in negotiations with financial institutions to revise the terms of our loans. With these conditions in mind, we recognize the uncertainty associated with the going concern assumption assigned to our Company. And in order to resolve these conditions, we seek to quickly restore stability to our management through sales, general and administrative cost reductions, rationalization of management including consolidation of subsidiary offices and reductions in staff numbers of our Group. Furthermore we will promote a strategy of selection and concentration on key business segments, use capital raised through the sale of subsidiaries' shares to repay debt and to be used as working capital, and implement a third party issuance of new shares to improve our financial position. By implementing these measures we seek to fortify our management base while giving the highest priority to compliance. Our Group believes that through the implementation of the various measures mentioned above we can normalize operating conditions and allay concerns over our Company due to the attachment of the going concern assumption. However at the current point in time we recognize the uncertainty surrounding our ability to achieve our earnings projections. Given the above factors, we will create our financial statements given the assumption of our standing as a going concern, but the uncertainties arising from our status as a going concern are not reflected in our financial statements.	―

(6) Significant Accounting Policies in the Preparation of the Consolidated Financial Statements

1) Matters concerning the scope of consolidation

Consolidated subsidiaries: 10	Fullcast Co., Ltd.	Fullcast Marketing Co., Ltd.
	Top Spot Co., Ltd.	Marketing Square Co., Ltd.
	Fullcast Advance Co., Ltd.	Telecom Marketing Co., Ltd.
	Fullcast Technology Co., Ltd.	East Communication Inc.
	Fullcast Business Support Co., Ltd.	EKO-SYSTEM Inc.

Notes1: Fullcast Business Support Co., Ltd. was established on October 1, 2009 and is newly included in the scope of consolidation.

2: The consolidated subsidiary Nisso Co., Ltd. was merged into Fullcast Advance Co., Ltd. on October 1, 2009.

3: East Communication Co., Ltd. and EKO-SYSTEM Inc. became subsidiaries of Fullcast Marketing Co., Ltd. through a transfer of stock on January 1, 2010. Therefore, January 1, 2010 is used as a reference date and the companies are included in the scope of consolidation.

2) Matters concerning the application of the equity method

(a) Affiliates accounted for by the equity method　—

Note: All shares of Fullcast Drive Co., Ltd. were sold on September 30, 2010. Therefore, as of that day, the company is excluded from the equity method.

(b) Items requiring listing in regards to procedures for applying the equity method

For the preparation of consolidated financial statements of those affiliates that are accounted for by the equity method but have different closing dates from the Company's, financial statements that were prepared based on a provisional settlement of account conducted on the consolidated closing date are used

3) Matters concerning the fiscal year settlement date, etc. of consolidated subsidiaries

The settlement date of consolidated subsidiaries matches the consolidated settlement date.

Furthermore, in regards to East Communication Inc. and EKO-SYSTEM Inc., both of which became new consolidated subsidiaries on January 1, 2010, the settlement date for the companies was changed from March 31, to September 30. This change was effected at the general shareholders' meeting held on June 23, 2010.

4) Matters concerning significant accounting policies

Changes in accounting policies

(Application of revision to a portion of accounting standards related to retirement benefits.)

The "Partial Amendments to Accounting Standards for Retirement Benefits (Part 3)" (ASBJ Statement No. 19, July 31, 2008) is applied in the consolidated fiscal year under review.

As a result, there was a 19 million yen decrease in operating income, ordinary income, and income before income taxes and minority interests.

Items related to information for business segments are listed in the corresponding section.

Reclassification

(Consolidated balance sheet)

The "insurance funds" (9 million yen for the current fiscal year) item which was listed for the previous fiscal year has become unnecessary in regards to the amount of the item. Therefore, from the current fiscal year, this item was changed for inclusion in the "other" portion of investments and other assets.

(7) Notes on Consolidated Financial Statements

(Notes on consolidated balance sheet)

(Million yen)

Consolidated accounting period for the previous fiscal year (September 30, 2009)	Consolidated accounting period for the current fiscal year (September 30, 2010)
*1 ――――――――――	*1 Secured assets and secured obligations As security for the 3,011 million yen of short-term loans payable, 534 million yen is provided among subsidiaries and affiliates. Furthermore, subsidiaries and affiliates are consolidated subsidiaries and therefore are not recorded in the consolidated financial statements.
*2 The following figure reflects affiliated companies. Investment securities 13	*2 ――――――――――
3.The Company and one of its consolidated subsidiaries signed an agreement for overdraft with three 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 1,647 Borrowing 1,117 Balance 530	3.The Company and one of its consolidated subsidiaries signed an agreement for overdraft with two 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 1,099 Borrowing 569 Balance 530

(Notes on consolidated profit and loss statement)

(Million yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)

*1. Significant components of gain on sales of noncurrent assets

Buildings and structures	20
Machinery and vehicles	0
Tools, furniture and fixtures	1
Land	183
Total	203

*2. Significant components of loss on sales of noncurrent assets

Buildings and structures	19
Tools, furniture and fixtures	14
Land	73
Total	106

*3. Significant components of loss on disposal of noncurrent assets

Buildings and structures	14
Machinery and vehicles	0
Tools, furniture and fixtures	24
Software	63
Total	101

*4. The details of the impairment loss are as follows.

(1) Main assets for which an impairment loss was recognized

Use	Type	Place
Business property in Office Businesse	Tools, furniture and fixtures	Shibuya-ku, Tokyo
	Software	
Business property in Other Businesse	Buildings and structures	Shibuya-ku, Tokyo
	Tools, furniture and fixtures	
	Software	
Business know-how	Goodwill	Shibuya-ku, Tokyo
Excess Earning Power	Goodwill	Kita-ku, Osaka

(2) Background to the recognition of the impairment loss

The main system of our consolidated subsidiary Fullcast Co., Ltd. (Shibuya-ku, Tokyo) used in its office business and other business divisions and listed as a noncurrent asset, was subject to impairment accounting because it would be of no further use to the Company.

Because the operating cash flow of other business division of our consolidated subsidiary Fullcast Advance Co., Ltd.(Shibuya-ku, Tokyo), which had continued to be negative, was not expected to turn positive in the future, impairment accounting principles were used.

We implemented impairment accounting due to our outlook for the inability to use the marketing know-how of Fullcast Technology Co., Ltd. (Shibuya-ku, Tokyo).

Furthermore impairment accounting was implemented for Fullcast Marketing Co., Ltd (Osaka,Osaka-Fu) due to the outlook for its inabililty to generate earnings.

Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)

*1. Significant components of gain on sales of noncurrent assets

Tools, furniture and fixtures	0
Total	0

*2. Significant components of loss on sales of noncurrent assets

Tools, furniture and fixtures	2
Total	2

*3. Significant components of loss on disposal of noncurrent assets

Buildings and structures	9
Machinery and vehicles	0
Tools, furniture and fixtures	8
Total	17

*4. The details of the impairment loss are as follows.

(1) Main assets for which an impairment loss was recognized

Use	Type	Place
Excess Earning Power	Goodwill	Kita-ku, Osaka

(2) Background to the recognition of the impairment loss

The business plan was revised for the consolidate subsidiary Marketing Square Co., Ltd. (Kita-ku, Osaka). As a result, a loss on impairment of goodwill was also recognized because it became clear that the originally projected excess earnings power was no longer likely.

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
(3) Amount of impairment loss Buildings and structures 18 Tools, furniture and fixtures 13 Software 58 Goodwill 1,012 (4) Grouping method of assets To apply accounting for the impairment of noncurrent assets, the Group classified assets in accordance with the classification of business segments. (5) Calculation of collectible amount The use-value is used for the collectible amount of the Company Group, and the business properties, business know-how and excess earnings power are calculated as zero based on an estimate of future cash flows.	(3) Amount of impairment loss Goodwill 23 (4) Grouping method of assets Same as on the left. (5) Calculation of collectible amount Same as on the left.
*5. The loss on closure of offices is a loss resulting from the consolidation of offices around the nation, and the major components are a loss on disposal of noncurrent assets and a loss on cancellation of real estate contracts due to the consolidation of the offices.	*5. The loss on closure of offices is a loss resulting from the consolidation of offices at the consolidate subsidiaries of Fullcast Marketing Co., Ltd., Marketing Square Co., Ltd., and Telecom Marketing Co., Ltd. The major components are a loss on disposal of noncurrent assets and a loss on cancellation of real estate contracts due to the consolidation of the offices.
*6. Expenses for the withdrawal from a training base are related to the withdrawal made by a consolidated subsidiary, Fullcast Technology Co., Ltd., from its overseas training base. The majority of the expenses were a penalty for early termination of the lease agreement, and expenses for education and training already booked.	*6. ――――――
* 7. The headquarter relocation expense was due primarily to the move of our consolidated subsidiaries of Fullcast Co., Ltd. and Fullcast Technology Co., Ltd., and includes refurbishment expenses and losses on liquidation of noncurrent assets.	*7. The headquarter relocation expense was due primarily to the move of our consolidated subsidiaries of Fullcast Co., Ltd., Fullcast Advance Co., Ltd., Top Spot Co., Ltd, Fullcast Marketing Co., Ltd., and Fullcast Business Support Co., Ltd. and includes refurbishment expenses and losses on liquidation of noncurrent assets.
* 8. Special retirement fees are comprised primarily of retirement fees paid in the voluntary retirement program implemented at our consolidated subsidiaries of Fullcast Co., Ltd.and Fullcast Technolgy Co., Ltd.	* 8. Special retirement fees are comprised of retirement fees paid in the voluntary retirement program implemented at our consolidated subsidiaries of Fullcast Technolgy Co., Ltd.
* 9. Debt waivers are losses arising from sales of Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd. to third parties.	* 9. ――――――
* 10. Transfer of debt is losses arising from the sale of Fullcast Finance Co., Ltd. to a third party.	* 10. ――――――
* 11 ――――――	* 11 Business structure improvement costs were incurred when revising the functionality of offices and other facilities at the subsidiaries of companies Fullcast Co., Ltd., Fullcast Advance Co., Ltd. and Fullcast Technology Co., Ltd.

(Notes on consolidated statement of changes in net asset)

Fiscal year ended September 2009 (October 1, 2008 to September 30, 2009)

1. Matters concerning the type and the number of shares issued and treasury stock

	Number of shares at the end of the previous fiscal year	Increase in the number of shares during the fiscal year	Decrease in the number of shares during the fiscal year	Number of shares at the end of the fiscal year
Shares issued Common stock (shares)	275,964	120,000	―	395,964
Total	275,964	120,000	―	395,964
Treasury stock Common stock (shares)	11,100	―	―	11,100
Total	11,100	―	―	11,100

(Overview of Reasons for Changes)

Details of the increased number of shares are as follows.

Third party placement: 120,000 shares

2. Matters concerning stock acquisition rights

There are no relevant matters.

3. Matters concerning dividend

(1) Dividend payments

There are no relevant matters.

(2) Of dividends the record date of which belongs to the fiscal year, those the effective date of which falls in or after the following fiscal year

There are no relevant matters.

Fiscal year ended September 2010 (October 1, 2009 to September 30, 2010)

1. Matters concerning the type and the number of shares issued and treasury stock

	Number of shares at the end of the previous fiscal year	Increase in the number of shares during the fiscal year	Decrease in the number of shares during the fiscal year	Number of shares at the end of the fiscal year
Shares issued Common stock (shares)	395,964	―	―	395,964
Total	395,964	―	―	395,964
Treasury stock Common stock (shares)	11,100	―	―	11,100
Total	11,100	―	―	11,100

2. Matters concerning stock acquisition rights

There are no relevant matters.

3. Matters concerning dividend

(1) Dividend payments

There are no relevant matters.

(2) Of dividends the record date of which belongs to the fiscal year, those the effective date of which falls in or after the following fiscal year

There are no relevant matters.

(Notes on consolidated cash flows statement)

(Million yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
*1. Reconciliation of the consolidated balance sheet items to cash and cash equivalents in the consolidated cash flows statements Cash and deposits 4,914 Cash and cash equivalents 4,914	*1. Reconciliation of the consolidated balance sheet items to cash and cash equivalents in the consolidated cash flows statements Cash and deposits 5,017 Time deposits with original maturities of over 3 months -150 Cash and cash equivalents 4,867
*2. Assets and liabilities of subsidiaries removed from scope of consolidation due to share sale. The income derived from the liquidation of Asia Pacific System Research and its three consolidated subsidiaries and its liabilities and assets from their removal the scope of consolidation are listed below. Current assets 5,689 Noncurrent assets 486 Goodwill 1,397 Current liabilities -1,048 Noncurrent liabilities -28 Minority interest -2,132 Sale of affiliated company shares -837 Sale of shares (Excluding sales commissions) 3,527 Cash and equivalents -3,894 Income derived from liquidation (- = loss) -368 The income derived from the liquidation of Info-P Co., Ltd. and its liabilities and assets from their removal the scope of consolidation are listed below. Current assets 756 Noncurrent assets 170 Current liabilities -578 Noncurrent liabilities -208 Sale of affiliated company shares -87 Sale of shares (Excluding sales commission) 53 Redemption of loan extended 400 Cash and equivalents -350 Income derived from liquidation (- = loss) 103 The income derived from the liquidation of Fullcast Finance Co., Ltd. and its liabilities and assets from their removal the scope of consolidation are listed below. Current assets 1,462 Noncurrent assets 50 Current liabilities -1,412 Noncurrent liabilities -8 Sale of affiliated company shares -94 Sale of shares (Excluding sales commission) -2 Redemption of loan extended 450 Cash and equivalents -190 Income derived from liquidation (- = loss) 258	*2. ――――――

(Million yen)

<table>
<tr><th>Consolidated accounting period for the previous fiscal year
(From October 1, 2008 To September 30, 2009)</th><th>Consolidated accounting period for the current fiscal year
(From October 1, 2009 To September 30, 2010)</th></tr>
<tr><td>The income derived from the liquidation of Fullcast Factory Co., Ltd. and its liabilities and assets from their removal the scope of consolidation are listed below.
Current assets 1,257
Noncurrent assets 127
Current liabilities -1,185
Sale of affiliated company shares -201
Sale of shares (Excluding sales commissions) -1
Redemption of loan extended 440
Cash and equivalents -590
Income derived from liquidation (- = loss) -152

The income derived from the liquidation of Fullcast Central Co., Ltd. and its liabilities and assets from their removal the scope of consolidation are listed below.
Current assets 265
Noncurrent assets 228
Current liabilities -747
Noncurrent liabilities -43
Sale of affiliated company shares 295
Sale of shares (Excluding sales commissions) -2
Disbursement of contribution to the company -190
Cash and equivalents -80
Income derived from liquidation (- = loss) -272

The income derived from the liquidation of Net It Works Inc. and its liabilities and assets from their removal the scope of consolidation are listed below.
Current assets 2,555
Noncurrent assets 569
Goodwill 374
Current liabilities -1,105
Noncurrent liabilities -166
Minority shareholdings -606
Sale of affiliated company shares 330
Sale of shares (Excluding sales commissions) 1,951
Cash and equivalents -849
Income derived from liquidation (- = loss) 1,102</td><td></td></tr>
</table>

(Million yen)

<table>
<tr><th>Consolidated accounting period for the previous fiscal year
(From October 1, 2008 To September 30, 2009)</th><th>Consolidated accounting period for the current fiscal year
(From October 1, 2009 To September 30, 2010)</th></tr>
<tr><td>*3.</td><td>* 3. Major details of assets and liabilities for companies which became new consolidated subsidiaries
East Communications Inc. was newly consolidated through the acquirement of shares. The following are details for the assets and liabilities of the company at the start of consolidation, as well as details regarding the cost (net) of acquiring the company.
Current assets 300
Noncurrent assets 122
Current liabilities -272
Negative goodwill -25
Minority shareholders -73
Purchase of shares 51
Cash and cash equivalents -14
Costs incurred from purchase (=income) 37

EKO-SYSTEM Inc. was newly consolidated through the acquirement of shares. The following are details for the assets and liabilities of the company at the start of consolidation, as well as details regarding the cost (net) of acquiring the company.
Current assets 99
Noncurrent assets 24
Goodwill 4
Current liabilities -31
Minority shareholders -46
Purchase of shares 51
Cash and equivalents -75
Costs incurred from purchase (=income) -24</td></tr>
</table>

(Securities)

Previous consolidated fiscal year

1. Securities with market quotations classified as “Other” (as of September 30 2009)

(Million yen)

Security	Acquisition cost	Carrying value	Unrealized gain/loss
Carrying value exceeds acquisition cost			
(1) Equity securities	73	93	20
(2) Debt securities			
JGBs and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds	—	—	—
(3) Other securities	—	—	—
Subtotal	73	93	20
Carrying value does not exceed acquisition cost			
(1) Equity securities	—	—	—
(2) Debt securities			
JGBs and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds	—	—	—
(3) Other securities	—	—	—
Subtotal	—	—	—
Total	73	93	20

Note: For the “Acquisition cost” in the table, the amount after the write-off is written.
The amount of the write-off is 2 million yen (for equity securities).

2. Other securities sold during the consolidated fiscal year (October 1, 2008 – September 30, 2009)

(Million yen)

Selling price	Total profit on sale	Total loss on sale
221	1	13

3. Securities without market quotations classified as “Other” (as of September 30, 2009)

(Million yen)

	Carrying value
Subsidiary and affiliate stock	
Affiliate stock	13
Other securities	
Securities without market quotations	748

Note: Equity securities (carrying value) are reported at fair value after adjustment for impairment on the consolidated balance sheet.
Write-off: 55 million yen (unlisted equity securities)

Current consolidated fiscal year

1. Securities with market quotations classified as "Other" (as of September 30 2009) (Million yen)

Security	Acquisition cost	Carrying value	Unrealized gain/loss
Carrying value exceeds acquisition cost			
(1) Equity securities	6	10	4
(2) Debt securities			
JGBs and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds	—	—	—
(3) Other securities	—	—	—
Subtotal	6	10	4
Carrying value does not exceed acquisition cost			
(1) Equity securities	307	269	-38
(2) Debt securities			
JGBs and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds	—	—	—
(3) Other securities	—	—	—
Subtotal	307	269	-38
Total	313	279	-34

2. Other securities sold during the consolidated fiscal year (October 1, 2009 – September 30, 2010)

(Million yen)

Selling price	Total profit on sale	Total loss on sale
68	7	—

3. Securities without market quotations classified as "Other" (as of September 30, 2010)

(Million yen)

	Carrying value
Subsidiary and affiliate stock	
Affiliate stock	—
Other securities	
Securities without market quotations	206

Note: Equity securities (carrying value) are reported at fair value after adjustment for impairment on the consolidated balance sheet.
Write-off: 543 million yen (unlisted equity securities)

(Notes on retirement benefits)

(Million yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
1. Summary of the retirement benefit scheme adopted The Company and part of its consolidated subsidiaries have established employees' pension fund, approved retirement annuity system and termination allowance plan as fixed benefit-type programs. As of the consolidated accounting period, four companies of the Group own the termination allowance plan, while three of those own a taxation approved retirement plan as for the approved retirement annuity system. As for the employees' pension fund, one company of the Group has the "Billboard Display Employees' Pension Fund" (general type). Moreover because of the large number of people accepting our voluntary retirement program, we have adopted "accounting methods for retirement benefit system" (corporate accounting standards application policy number 1) to part of our retirement system which is completed. Matters associated with the multiemployer pension plan in which the amount of required contributions is accounted for as retirement benefit expenses are as follows.	1. Summary of the retirement benefit scheme adopted The Company and part of its consolidated subsidiaries have established employees' pension fund, approved retirement annuity system and termination allowance plan as fixed benefit-type programs. As of the consolidated accounting period, three companies of the Group own the termination allowance plan, while two of those own a taxation approved retirement plan as for the approved retirement annuity system. As for the employees' pension fund, one company of the Group has the "Billboard Display Employees' Pension Fund" (general type). Matters associated with the multiemployer pension plan in which the amount of required contributions is accounted for as retirement benefit expenses are as follows.
(1) Matters concerning the funded status of the overall plan (as of March 31, 2009) Pension assets 31,887 Benefit obligation based on the calculation of pension financial position 54,224 Difference -22,337	(1) Matters concerning the funded status of the overall plan (as of March 31, 2010) Pension assets 38,325 Benefit obligation based on the calculation of pension financial position 50,882 Difference -12,557
(2) The ratio of contribution of the Company Group to the overall plan (From April 1, 2008 to March 31, 2009) 0.11%	(2) The ratio of contribution of the Company Group to the overall plan (From April 1, 2009 to March 31, 2010) 0.06%
(3) Supplementary explanation The main factor for the difference in (1) above is the balance of prior service costs of 12,609 million yen based on the calculation of pension financial position. The amortization method of prior service costs used in this plan is an equal monthly payment with interest for 20 years and zero month. The ratio in (2) above is not the same as the ratio of actual obligation of the Company Group.	(3) Supplementary explanation The main factor for the difference in (1) above is the balance of prior service costs of 11,699 million yen based on the calculation of pension financial position. The amortization method of prior service costs used in this plan is an equal monthly payment with interest for 19 years and zero month. The ratio in (2) above is not the same as the ratio of actual obligation of the Company Group.
2. Matters concerning retirement benefit obligation (as of September 30, 2009) a. Retirement benefit obligation -583 b. Pension assets 92 c. Non-accumulated retirement benefit obligation (a + b) -491 d. Prepaid pension cost 5 e. Unconfirmed computational differential 1 f. Retirement benefit allowance (c – d + e) -495	2. Matters concerning retirement benefit obligation (as of September 30, 2010) a. Retirement benefit obligation -584 b. Pension assets 98 c. Non-accumulated retirement benefit obligation (a + b) -485 d. Prepaid pension cost 7 e. Unconfirmed computational differential 11 f. Retirement benefit allowance (c – d + e) -482

(Million yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)		Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)	
3. Matters concerning retirement benefit expenses		3. Matters concerning retirement benefit expenses	
a. Service cost	213	a. Service cost	137
b. Interest cost	10	b. Interest cost	10
c. Expected return on plan assets	-1	c. Expected return on plan assets	-1
d. Cost to dispose of computational differentials	13	d. Cost to dispose of computational differentials	-81
e. Contribution to employees' pension fund	6	e. Contribution to employees' pension fund	2
f. Retirement benefit expenses (a + b + c + d + e)	243	f. Retirement benefit expenses (a + b + c + d + e)	67
(Note) Aside from the retirement benefit fees listed above are 586 million yen booked as extraordinary loss.		(Note) Aside from the retirement benefit fees listed above are 45 million yen booked as extraordinary loss.	
4. Matters concerning the basis of calculation of retirement benefit obligation, etc.		4. Matters concerning the basis of calculation of retirement benefit obligation, etc.	
a. Distribution of estimated retirement benefits during term	Fixed amount standards during term	a. Distribution of estimated retirement benefits during term	Fixed amount standards during term
b. Discount rate	Mainly 2.1%	b. Discount rate	Mainly 0.4%
c. Expected rate of return on plan assets	1.5%	c. Expected rate of return on plan assets	1.5%
d. Number of years to dispose of computational differentials	Mainly 1 year	d. Number of years to dispose of computational differentials	Mainly 1 year

(Notes on tax effect accounting)

(Million yen)

Consolidated accounting period for the previous fiscal year (September 30, 2009)		Consolidated accounting period for the current fiscal year (September 30, 2010)	
1. Breakdown of main reasons for deferred tax asset and deferred liability		1. Breakdown of main reasons for deferred tax asset and deferred liability	
Deferred tax asset		Deferred tax asset	
Allowance for bad debts and bad debt loss	46	Allowance for bad debts and bad debt loss	29
Allowance for retirement benefits	202	Allowance for retirement benefits	196
Allowance for bonuses	120	Allowance for bonuses	100
Allowance for cancellation adjustments	37	Expenses for business structure improvement	137
Head office transfer cost	90	Loss on closing of stores	23
Special retirement expenses	55	Excess of allowance for depreciation	16
Loss from revaluation of investment securities	34	Loss from revaluation of investment securities	255
Loss carryforward	3,460	Loss carryforward	3,921
Accrued enterprise taxes	8	Accrued enterprise taxes	7
Accrued social insurance premiums	14	Accrued social insurance premiums	13
Accrued office taxes	11	Accrued office taxes	10
Impairment loss	185	Impairment loss	116
Other	141	Other	38
Subtotal of deferred tax asset	4,405	Subtotal of deferred tax asset	4,861
Valuation reserve	-4,377	Valuation reserve	-4,611
Total deferred tax asset	29	Total deferred tax asset	249
Deferred tax liability		Deferred tax liability	
Revaluation differentials of other securities	-8	Revaluation differentials of other securities	-2
Other	-4	Other	-3
Subtotal of deferred tax liability	-12	Subtotal of deferred tax liability	-5
Net deferred tax asset	17	Net deferred tax asset	244
2. Breakdown by item of the main reasons for differentials between the legal effective tax rates and the ratio of tax expenses, including corporate taxes, after tax effect accounting is applied. As the Company posted a net loss before income taxes and minority interests in the consolidated accounting period, the information in this item is omitted.		2. Breakdown by item of the main reasons for differentials between the legal effective tax rates and the ratio of tax expenses, including corporate taxes, after tax effect accounting is applied.	
		Legal effective tax rates	40.7%
		(Adjustment)	
		Non-deductible cost items	2.8
		Dividend income	4.9
		Fixed-rate municipal tax	11.1
		Earnings from change in equity method	-28.1
		Loss carried forward	10.4
		Internal adjustment for appraisal loss of affiliate and subsidiary companies	-1.7
		Impairment loss	1.8
		Investment loss due to equity method	1.1
		Valuation reserve amount	-58.7
		Other	0.4
		Ratio of tax expenses, including corporate taxes, after tax effect accounting is applied	-15.3

(Segment information)

Information on the business segments

Previous consolidated fiscal year (October 1, 2008 – September 30, 2009)

(Million yen)

	Spot Business	Factory Business	Technology Business	Office Business	Other Business	Total	Elimination or company total	Consolidated
I. Net sales and operating income Net sales (1) Sales to external customers	20,619	6,662	14,074	11,245	4,693	57,293	—	57,293
(2) Inter-segment sales or transfers	98	3	10	23	8	141	(141)	—
Total	20,717	6,664	14,084	11,268	4,701	57,434	(141)	57,293
Operating expenses	21,082	7,064	13,399	11,312	4,638	57,495	480	57,975
Operating income or loss (-)	-365	-399	685	-44	63	-61	(622)	-682
II. Assets, depreciation, impairement loss and capital expenditure								
Assets	3,973	—	2,429	2,138	489	9,029	4,043	13,072
Allowance for depreciation	358	14	178	65	45	661	(1)	659
Impairment loss	—	—	344	736	21	1,101	—	1,101
Capital expenditure	73	5	70	45	8	201	(1)	200

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 employee dispatching services, short-term contractual workers services
(2) Factory Business: Staffing services for production line work, contracted-out services for production line work
(3) Technology Business: Engineer dispatching services, human resources contracting of technical staff, data communication services
(4) Office Business: Clerical manpower dispatching, clerical work contracting
(5) Other Business: Restaurant and bar management, security services, advertising agency services, etc.

3: Significant fluctuations in segment-based assets:
All shares of Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd., consolidated subsidiaries with significant fluctuations in segment-based assets, were transferred to a third party in June of 2009. The companies have therefore withdrawn from the factory business. As a result, assets of the factory business declined by 3,986 million yen when compared to the end of the previous fiscal year.

4: Of the operating expenses during the consolidated fiscal year, the amount of funds, which can not be allocated, included in the elimination or company total item is 995 million yen. It is mainly expenses associated with the administrative departments of the parent company's head office, such as Accounting.

5: Of assets for the consolidated fiscal year, the total amount of assets of the whole Company included into the eliminations or company total items was 7,576 miillion yen. They were primarily made up of long-term investment assets (investment securities) and assets involved in the administrative department.

Current consolidated fiscal year (October 1, 2009 – September 30, 2010)

(Million yen)

	Short term operational support business	Sales support business	Technician dispatch business	Security, other business	Total	Elimination or company total	Consolidated
I. Net sales and operating income Net sales (1) Sales to external customers	22,737	6,845	4,280	2,221	36,084	—	36,084
(2) Inter-segment sales or transfers	40	56	10	2	108	(108)	—
Total	22,777	6,902	4,290	2,223	36,192	(108)	36,084
Operating expenses	21,195	7,066	4,027	2,147	34,435	318	34,753
Operating income or loss (-)	1,583	-165	263	77	1,758	(427)	1,331
II. Assets, depreciation, impairement loss and capital expenditure							
Assets	4,888	1,482	2,268	544	9,183	2,296	11,479
Allowance for depreciation	250	59	27	1	337	(5)	332
Impairment loss	—	23	—	—	23	—	23
Capital expenditure	30	15	11	6	62	65	128

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

2: Business segments
(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 business: Security services, restaurant and bar management

3: Of the operating expenses during the consolidated fiscal year, the amount of funds, which can not be allocated, included in the elimination or company total item is 545 million yen. It is mainly expenses associated with the administrative departments of the parent company's head office, such as Accounting.

4: Of assets for the consolidated fiscal year, the total amount of assets of the whole Company included into the eliminations or company total items was 5,532 miillion yen. They were primarily made up of long-term investment assets (investment securities) and assets involved in the administrative department.

5: Changes in accounting policies
(Application of revision to a portion of accounting standards related to retirement benefits.)
The "Partial Amendments to Accounting Standards for Retirement Benefits (Part 3)" (ASBJ Statement No. 19, July 31, 2008) is applied in the consolidated fiscal year under review.
As a result, there was a 19 million yen decline in operating income of the shor-term operational support business.

6: Changes in the method of business segments
Our Group has used the business segments of "Spot business", "Factory business", "Technology business", "Office business" and "Other Business". However, as the result of restructuring, we have withdrawn from the Factory business. Furthermore, from the current fiscal year (see note), we are making disclosures regarding the main services of each business. As a result, the office personnel services of our office personnel dispatch business which were included in the "Office business" in the year ended September 2009 were recorded in the "Short-term operation support business" segment.

Information on business segments for the previous fiscal year in the case of new buinsess segments are listed below.
Previous consolidated fiscal year (October 1, 2008 – September 30, 2009)

(Million yen)

	Short term operational support business	Sales support business	Technician dispatch business	Security, other business	Factory Business	Total	Elimination or company total	Consolidated
I. Net sales and operating income Net sales (1) Sales to external customers	23,891	7,974	14,074	4,693	6,662	57,293	—	57,293
(2) Inter-segment sales or transfers	101	17	10	8	3	139	(139)	—
Total	23,992	7,991	14,084	4,701	6,664	57,432	(139)	57,293
Operating expenses	24,400	7,991	13,399	4,638	7,064	57,493	483	57,975
Operating income or loss (-)	-408	-1	685	63	-399	-61	(622)	-682
II. Assets, depreciation, impairement loss and capital expenditure								
Assets	4,767	1,869	2,429	489	—	9,553	3,518	13,072
Allowance for depreciation	386	38	178	45	14	661	(1)	659
Impairement loss	68	668	344	21	—	1,101	—	1,101
Capital expenditure	73	44	70	8	5	201	(1)	200

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 consolidated fiscal year and the previous consolidated fiscal year.

Overseas sales

Overseas sales are not presented given the absence of overseas sales in the consolidated fiscal year under review and the previous consolidated fiscal year.

(Per share information)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Shareholders' equity per share 3,357.40 yen Net income per share 21,288.47 yen Diluted net income per share for the fiscal year is not reported since there is no outstanding potential stock.	Shareholders' equity per share 4,683.27 yen Net income per share 1,405.10 yen Diluted net income per share for the fiscal year is not reported since there is no outstanding potential stock.

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

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
Net income (loss) (million yen)	-6,870	541
Net income (loss) [basic] (million yen)	-6,870	541
Net income not available to common stock (million yen)	—	—
Average number of common stock outstanding during the period (shares)	322,727	384,864

(Subsequent events)

Previous consolidated fiscal year (October 1, 2008 – September 30, 2009)

1. Marketable Securities Submitted as Collateral

We decided in our board of directors meeting held on October 22, 2009 to submit marketable securities as collateral to ensure we have stable access to short term debts from the four banks we transact with.

(1) Objective of the Collateral Provided

Use as collateral to ensure we have stable access to short term debt from the four banks we transact with.

(2) Type and Value of Assets Submitted as Collateral

(i) Assets Submitted as Collateral: Shares of affiliated companies

(ii) Value of Assets Submitted as Collateral: 534 milion yen

2. Reduce Value of Capital and Capital Reserves and Disposal of Retained Earnings

During our board of directors meeting held on November 13, 2009, we decided to reduce the value of our capital and capital reserves and dispose retained earnings, which we expect to receive apporoval in our regularly scheduled general shareholders' meeting held on December 22, 2009 to be implemented on January 31, 2010.

(1) Objective of Reduction in Our Capital and Capital Reserves and Disposal of Retained Earnings

In order to eliminate our large aggregated losses, we will respond flexibly and quickly in our capital strategy.

(2) Method of Reductions in Our Capital, Capital Reserves and Disposal of Retained Earnings

The reduction in common stock and capital reserve based on the provisions in Airicle 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act is transferred to other capital surplus and then appropriated to the coverage of the deficit based on the provisions in Article 452 of the Companies Act.

(3) Amount of Reduction in Capital, Capital Reserves

(i) Amount of Reduction in Capital

Total capital was reduced by 960,820,000 yen from 3,740,820,000 yen to 2,780,000,000 yen.

(ii) Amount of Reduction in Capital Reserves

Total capital reserves were reduced 1,176,720,000 yen to 0 yen.

(4) Request for disposal of retained earnings

From among other capital surplus which occurred due to declines in the amount of capital and capital reserves, 2,130,105,616 yen is appropriated to coverage of the defecit through transfer to retained earnings brought forward.

(Reference) Details of change in amont in the above

(Yen)

	As of Sep. 30, 2009	Reductions in Capital, Capital Reserves	Disposal of retained earnings	Balance of Jan. 31,2010 (Schedule)
Capital stock	3,740,820,000	-960,820,000	—	2,780,000,000
Legal capital surplus	1,176,720,000	-1,176,720,000	—	—
Other capital surplus	—	2,137,540,000	-2,130,105,616	7,434,384
Retained earnings brought forward	-2,130,105,616	—	2,130,105,616	—

(5) Schedule

November 13, 2009 Board of Directors resolution date

December 22, 2009 Ordinary General Meeting of Shareholders resolution date

December 25, 2009 Public peremptory notice date for creditors' objections

January 25, 2010 Final deadline for creditors' objections

January 31, 2010 Effectuation date

Current consolidated fiscal year (October 1, 2009 – September 30, 2010)

There are no relevant matters.

(Omission of Disclosure)

The disclosure of notes on transactions with related parties such as lease transactions, financial instruments, derivatives transactions, stock options, transactions with related parties and business combination is omitted, as the need for the disclosure in the brief announcement is considered to be low.

5. Financial Statements

(1) Balance Sheet

(Million yen)

	End of accounting period for the previous fiscal year (September30, 2009)	End of accounting period for the current fiscal year (September30, 2009)
Assets		
Current assets		
Cash and deposits	2,536	1,941
Supplies	20	—
Prepaid expenses	※2 9	※2 10
Short-term loans receivable from subsidiaries and affiliates	1,144	372
Current portion of long-term loans payable from subsidiaries and affiliates	—	60
Accounts receivable-other	※2 78	※2 103
Income taxes receivable	195	28
Other	※2 17	※2 10
Allowance for doubtful accounts	-7	-4
Total current assets	3,992	2,520
Noncurrent assets		
Property, plant and equipment		
Buildings	0	42
Accumulated depreciation	-0	-3
Buildings, net	0	39
Tools, furniture and fixtures	6	26
Accumulated depreciation	-3	-6
Tools, furniture and fixtures, net	3	19
Total property, plant and equipment	3	59
Intangible assets		
Telephone subscription right	0	0
Software	41	31
Other	5	4
Total intangible assets	47	36
Investments and other assets		
Investment securities	824	205
Stocks of subsidiaries and affiliates	※1 2,653	※1 2,592
Long-term loans receivable from subsidiaries and affiliates	—	75
Investments in capital	0	0
Long-term prepaid expenses	0	—
Guarantee deposits	※2 21	※2 45
Insurance funds	32	9
Membership	2	2
Other	—	50
Total investments and other assets	3,532	2,977
Total noncurrent assets	3,582	3,072
Total assets	7,573	5,592

(Million yen)

	End of accounting period for the previous fiscal year (September30, 2009)	End of accounting period for the current fiscal year (September30, 2009)
Liabilities		
Current liabilities		
Short-term loans payable	※1 3,011	※1 3,011
Short-term loans payable to subsidiaries and affiliates	108	0
Current portion of long-term loans payable	1,920	1,680
Accounts payable-other	※3 67	※3 67
Accrued expenses	16	11
Income taxes payable	5	1
Accrued consumption taxes	27	9
Deferred tax liabilities	—	0
Deposits received	3	2
Unearned revenue	※3 4	※3 2
Total current liabilities	5,160	4,783
Noncurrent liabilities		
Long-term loans payable	2,350	670
Long-term guarantee deposited	※3 3	※3 37
Deferred tax liabilities	8	2
Total noncurrent liabilities	2,361	709
Total liabilities	7,521	5,492
Net assets		
Shareholders' equity		
Capital stock	3,741	2,780
Capital surplus		
Legal capital surplus	1,177	—
Other capital surplus	—	7
Total capital surpluses	1,177	7
Retained earnings		
Other retained earnings		
Retained earnings brought forward	-2,130	57
Total retained earnings	-2,130	57
Treasury stock	-2,747	-2,747
Total shareholders' equity	41	98
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11	2
Total valuation and translation adjustments	11	2
Total net assets	52	100
Total liabilities and net assets	7,573	5,592

(2) Profit and Loss Statement

(Million yen)

	End of accounting period for the previous fiscal year (From Oct. 1, 2008 To Sep. 30, 2009)	End of accounting period for the current fiscal year (From Oct. 1, 2009 To Sep. 30, 2010)
Operating revenue		
Consulting fee income	※1 1,234	※1 873
Dividends from subsidiaries and affiliates	957	131
Total operating revenue	2,191	1,004
Operating expenses		
Directors' compensations	111	105
Salaries and bonuses	63	146
Commission fee	※1 349	77
Consulting expenses	61	54
Depreciation	17	12
Other	85	68
Total operating expenses	686	462
Operating income	1,505	542
Non-operating income		
Interest income	※1 49	※1 14
Dividends income	44	11
Real estate rent	※1 41	※1 21
Other	27	10
Total non-operating income	162	57
Non-operating expenses		
Interest expenses	201	109
Depreciation	—	5
Rent cost of real estate	21	21
Stock issuance cost	4	—
Other	10	12
Total non-operating expenses	236	147
Ordinary income	1,430	452
Extraordinary income		
Gain on sales of noncurrent assets	※2 203	※2 —
Gain on sales of investment securities	—	7
Gain on sales of subsidiaries and affiliates' stocks	637	175
Reversal of allowance for doubtful accounts	6	4
Total extraordinary income	845	186
Extraordinary loss		
Loss on sales of noncurrent assets	※3 92	※3 —
Loss on retirement of noncurrent assets	※4 4	※4 0
Loss on sales of investment securities	13	—
Loss on sales of stocks of subsidiaries and affiliates	1,159	—
Loss on valuation of investment securities	5	543
Loss on valuation of stocks of subsidiaries and affiliates	1,019	21
Loss on insurance cancellation	77	3
Head office transfer cost	※5 7	※5 13
Loss on loan write-off	※6 950	※6 —
Loss on the transfer of receivables	※7 950	※7 —
Total extraordinary losses	4,277	579

(Million yen)

	End of accounting period for the previous fiscal year (From Oct. 1, 2008 To Sep. 30, 2009)	End of accounting period for the current fiscal year (From Oct. 1, 2009 To Sep. 30, 2010)
Income (loss) before income taxes	-2,001	58
Income taxes-current	1	1
Income taxes-deferred	—	0
Total income taxes	1	1
Net income (loss)	-2,002	57

(3) Statements of Shareholders' Equity

(Million yen)

	End of accounting period for the previous fiscal year (From Oct. 1, 2008 To Sep. 30, 2009)	End of accounting period for the current fiscal year (From Oct. 1, 2009 To Sep. 30, 2010)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,464	3,741
Changes of items during the period		
Issuance of new shares	277	—
Capital reduction	—	-961
Total changes of items during the period	277	-961
Balance at the end of current period	3,741	2,780
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	900	1,177
Changes of items during the period		
Issuance of new shares	277	—
Transfer to other capital surplus from legal capital surplus	—	-1,177
Total changes of items during the period	277	-1,177
Balance at the end of current period	1,177	—
Other capital surplus		
Balance at the end of previous period	2,006	—
Changes of items during the period		
Decrease by corporate division-split-off type	-2,006	—
Capital reduction	—	961
Transfer to other capital surplus from legal capital	—	1,177
Deficit disposition	—	-2,130
Total changes of items during the period	-2,006	7
Balance at the end of current period	—	7
Total capital surplus		
Balance at the end of previous period	2,906	1,177
Changes of items during the period		
Decrease by corporate division-split-off type	-2,006	—
Issuance of new shares	277	—
Capital reduction	—	961
Transfer to other capital surplus from legal capital	—	—
Deficit disposition	—	-2,130
Total changes of items during the period	-1,729	-1,169
Balance at the end of current period	1,177	7

(Million yen)

	End of accounting period for the previous fiscal year (From Oct. 1, 2008 To Sep. 30, 2009)	End of accounting period for the current fiscal year (From Oct. 1, 2009 To Sep. 30, 2010)
Retained earnings		
Other retained earnings		
General reserve		
Balance at the end of previous period	500	—
Changes of items during the period		
Decrease by corporate division-split-off type	-500	—
Total changes of items during the period	-500	—
Balance at the end of current period	—	—
Retained earnings brought forward		
Balance at the end of previous period	1,606	-2,130
Changes of items during the period		
Decrease by corporate division-split-off type	-1,734	—
Deficit disposition	—	2,130
Net income (loss)	-2,002	57
Total changes of items during the period	-3,736	2,187
Balance at the end of current period	-2,130	57
Total retained earnings		
Balance at the end of previous period	2,106	-2,130
Changes of items during the period		
Decrease by corporate division-split-off type	-2,234	—
Deficit disposition	—	2,130
Net income (loss)	-2,002	57
Total changes of items during the period	-4,236	2,187
Balance at the end of current period	-2,130	57
Treasury stock		
Balance at the end of previous period	-2,747	-2,747
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	-2,747	-2,747

(Million yen)

	End of accounting period for the previous fiscal year (From Oct. 1, 2008 To Sep. 30, 2009)	End of accounting period for the current fiscal year (From Oct. 1, 2009 To Sep. 30, 2010)
Total shareholders' equity		
Balance at the end of previous period	5,730	41
Changes of items during the period		
Decrease by corporate division-split-off type	-4,240	—
Issuance of new shares	553	—
Capital reduction	—	—
Deficit disposition	—	—
Net income (loss)	-2,002	57
Total changes of items during the period	-5,689	57
Balance at the end of current period	41	98
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	-2	11
Changes of items during the period		
Net changes of items other than shareholders' equity	13	-9
Total changes of items during the period	13	-9
Balance at the end of current period	11	2
Total valuation and translation adjustments		
Balance at the end of previous period	-2	11
Changes of items during the period		
Net changes of items other than shareholders' equity	13	-9
Total changes of items during the period	13	-9
Balance at the end of current period	11	2
Total net assets		
Balance at the end of previous period	5,728	52
Changes of items during the period		
Decrease by corporate division-split-off type	-4,240	—
Issuance of new shares	553	—
Net income (loss)	-2,002	57
Net changes of items other than shareholders' equity	13	-9
Total changes of items during the period	-5,676	48
Balance at the end of current period	52	100

(4) Concerning notes about going concern assumption

Fiscal year ended September 2009 (October 1, 2008 to September 30, 2009)	Fiscal year ended September 2010 (October 1, 2009 to September 30, 2010)
The operating environment surrounding our Company remains difficult with the sharp slowing in the Japanese economy and labor market, compounded by the cease order levied against Fullcast Co., Ltd. by the Tokyo Labor Bureau. Consequently during the year under review our consolidated sales declined by a large 42.1% year-over-year and we incurred an operating loss of 682 million yen. Against this backdrop and as of the announcement of our earnings results, we are in negotiations with financial institutions to revise the terms of our loans. With these conditions in mind, we recognize the uncertainty associated with the going concern assumption assigned to our Company. And in order to resolve these conditions, we seek to quickly restore stability to our management through sales, general and administrative cost reductions, rationalization of management including consolidation of subsidiary offices and reductions in staff numbers of our Group. Furthermore we will promote a strategy of selection and concentration on key business segments, use capital raised through the sale of subsidiaries' shares to repay debt and to be used as working capital, and implement a third party issuance of new shares to improve our financial position. By implementing these measures we seek to fortify our management base while giving the highest priority to compliance. Our Group believes that through the implementation of the various measures mentioned above we can normalize operating conditions and allay concerns over our Company due to the attachment of the going concern assumption. However at the current point in time we recognize the uncertainty surrounding our ability to achieve our earnings projections. Given the above factors, we will create our financial statements given the assumption of our standing as a going concern, but the uncertainties arising from our status as a going concern are not reflected in our financial statements.	

(5) Notes on Non-consolidated Financial Statements

(Notes on balance sheet)

(Million yen)

<table>
<tr><th>As of September 30, 2009</th><th>As of September 30, 2010</th></tr>
<tr><td>*1. ―――――――――</td><td>*1. Secured assets and secured obligations
As security for the 3,011 million yen short-term loans payable, 534 million yen is provided among subsidiaries and affiliates.</td></tr>
<tr><td>*2. The liabilities extended of affiliated companies outside the scope of our itemization are 87 million yen, and exceeds 1% of the total of our assets.</td><td>*2. The liabilities extended of affiliated companies outside the scope of our itemization are 108 million yen, and exceeds 1% of the total of our assets.</td></tr>
<tr><td>*3 ―――――――――</td><td>*3. The liabilities extended of affiliated companies outside the scope of our itemization are 62 million yen, and exceeds 1% of the total of our assets.</td></tr>
<tr><td>*4 The Company signed an agreement for overdraft with two 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 1,117
Borrowing 1,117
Balance —</td><td>*4 .The Company signed an agreement for overdraft with one bank 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 569
Borrowing 569
Balance —</td></tr>
</table>

(Notes on profit and loss statement)

(Million yen)

Fiscal year ended September 2009 (October 1, 2008 to September 30, 2009)	Fiscal year ended September 2010 (October 1, 2009 to September 30, 2010)
*1.Various items which fall outside the scope of our itemized accounts are as follows. Management guidance fees 1,234 Commissions paid 307 Interest received 46 Real estate rent fees 27	*1.Various items which fall outside the scope of our itemized accounts are as follows. Management guidance fees 873 Interest received 13 Real estate rent fees 21
*2. Significant components of gain on sales of noncurrent assets Land 183 Buildings 20 Furniture and fixtures 0 Total 203	*2. ――――――
*3. Significant components of loss on sales of noncurrent assets Land 73 Buildings 19 Total 92	*3. ――――――
*4. Significant components of loss on disposal of noncurrent assets Furniture and fixtures 0 Software 4 Total 4	*4. Significant components of loss on disposal of noncurrent assets Buildings 0 Furniture and fixtures 0 Total 0
*5. Head office transfer cost is losses incurred due to the transfer of the head office. This item consists mainly of make-good costs, loss on retirement of noncurrent assets, and other costs.	*5. Same as on the left.
*6. Losses from debt waivers arising from the sale of shares to third parties of consolidated subsidiaries Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd. are the losses resulting from the waiver of debt extended to these companies.	*6. ――――――
*7. Losses from debt transfer arising from the sale of shares to third parties of consolidated subsidiaries Fullcast Finance Co., Ltd. are the losses resulting from the transfer of debt extended to this company.	*7. ――――――
8. Amount of depreciation Property, plant and equipment 10 Intangible assets 6	8. Amount of depreciation Property, plant and equipment 7 Intangible assets 10

(Notes on statement of changes shareholders' equity)

Fiscal year ended September 2009 (October 1, 2008 to September 30, 2009)

1. Matters concerning the type and the number of treasury stock

	Number of shares at the end of the previous fiscal year	Increase in the number of shares during the fiscal year	Decrease in the number of shares during the fiscal year	Number of shares at the end of the fiscal year
Treasury stock Common stock (shares)	11,100	—	—	11,100
Total	11,100	—	—	11,100

Fiscal year ended September 2010 (October 1, 2009 to September 30, 2010)

1. Matters concerning the type and the number of treasury stock

	Number of shares at the end of the previous fiscal year	Increase in the number of shares during the fiscal year	Decrease in the number of shares during the fiscal year	Number of shares at the end of the fiscal year
Treasury stock Common stock (shares)	11,100	–	–	11,100
Total	11,100	–	–	11,100

(Securities)

Fiscal year ended September 2009 (As of September 30, 2009)

Subsidiary stocks and affiliate stocks with market quotations (Million yen)

Category	Carrying value	Market quotation	Unrealized gain/loss
(1) Subsidiary stocks	534	723	189
(2) Affiliate stocks	–	–	–
Total	534	723	189

Fiscal year ended September 2010 (As of September 30, 2010)

(Additional Information)

The "Accounting Standards for Financial Products" (ASBJ Statement No. 10, March 10, 2008) and the "Application Policy for Disclosure of Market Value of Financial Products" (ASBJ Guidance No. 19, March 10, 2008) are applied in the consolidated fiscal year under review.

Subsidiary stocks and affiliate stocks (Million yen)

Category	Carrying value	Market quotation	Unrealized gain/loss
(1) Subsidiary stocks	534	816	282
(2) Affiliate stocks	–	–	–
Total	534	816	282

Note: Subsidiary and affiliate company stocks for which the assessment of market value is recognized as being extremely difficult.

(Million yen)

Category	Carrying value
(1) Subsidiary stocks	2,058
(2) Affiliate stocks	–
Total	2,058

There is no market price for the items listed above. Therefore, it is extremely difficult to assess the market value of the items.