FULLCAST HLDGS.

November 11, 2011

Consolidated Financial Results Announcement for the Fiscal Year Ended September 30, 2011
[Japanese Standards] (Consolidated)

Company name: Fullcast Holdings Co., Ltd.
Stock exchange listing: First Section of the Tokyo Stock Exchange
Stock code: 4848
URL: http://www.fullcastholdings.co.jp
Representative: Hiroyuki Tokiwa, President, Representative Director and CEO
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Date of Annual General Meeting of Shareholders (Planned): December 22, 2011
Date of submission of annual securities report (Planned): December 26, 2011
Date of dividend payments (Planned): –
Preparation of supplementary references regarding financial results: Yes (Published on the company website)
Briefing for financial results: Yes (For institutional investors and security analysts)

1. Consolidated Financial Results for the Fiscal Year Ended September 30, 2011 (October 1, 2010 to September 30, 2011)

(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 2011	34,316	-4.9	1,539	15.7	1,480	21.0	2,143	296.2
Fiscal year ended September 2010	36,084	-37.0	1,331	—	1,223	—	541	—

Note: Comprehensive income
FY9/11: 2,006 million yen (263.2%) FY9/10 552 million yen (-%)

	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 2011	5,567.70	—	74.7	14.6	4.5
Fiscal year ended September 2010	1,405.10	—	34.9	10.0	3.7

Reference: Investment profit and loss on equity method
FY9/11: -77 million yen FY9/10: -13 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 2011	8,747	3,931	44.9	10,215.24
Fiscal year ended September 2010	11,479	2,491	15.7	4,683.27

Reference: Shareholders' equity
FY9/11: 3,931 million yen FY9/10: 1,802 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 2011	1,585	-173	-2,952	3,328
Fiscal year ended September 2010	1,951	-348	-1,651	4,867

2. Dividend Status

(Base date)	Dividend per share (yen)						Total dividend (annual) (million yen)	Payout ratio (consolidated) (%)	Dividend on equity ratio (consolidated) (%)
	End of Q1	End of Q2	End of Q3	End of Q4	End of FY	Annual			
Fiscal year ended September 2010	—	0.00	—	—	0.00	0.00	—	—	—
Fiscal year ended September 2011	—	0.00	—	—	0.00	0.00	—	—	—
Fiscal year ended September 2012 (forecast)	—	—	0.00	—	0.00	0.00		—	

Note: The Company will change its accounting period to the year through December 31 of every year from the year through September 31 of every year, subject to a resolution for approval for the proposal "Partial Change in the Articles of Incorporation" by its 19th annual shareholders meeting scheduled to be held on December 22, 2011.

3. Forecast for Consolidated Financial Results for the Year Ending September 30, 2011 (October 1, 2011 – December 31, 2012)

Percentage figures denote the increase or decrease from the previous term for the 4th quarter (total) and the increase or decrease from the same period of the previous term for the 2nd quarter (total).)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2nd quarter (total)	16,458	11.8	925	5.0	939	7.2	864	15.5	2,244.95
4th quarter (total)	32,874	-4.2	1,803	17.1	1,822	23.1	1,534	28.4	3,985.82
Full year	41,576	—	2,335	—	2,357	—	1,945	—	5,053.73

Note: The Company will change its accounting period to the year through December 31 of every year from the year through September 31 of every year, subject to a resolution for approval for the proposal "Partial Change in the Articles of Incorporation" by its 19th annual shareholders meeting scheduled to be held on December 22, 2011.

If the proposal is approved by the shareholders meeting, the irregular accounting period of 15 months from October 1, 2011 to December 31, 2012 will be applied.
With respect to the forecast for the financial results for the full year, a year-on year change is not described herein because the financial results are forecasted for 15 months.

4. Other

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

New: -

Eliminated: 4 companies (company name) Fullcast Marketing Co., Ltd.
East Communication Inc.
EKO-SYSTEM Inc.
Fullcast Technology Co., Ltd.
(Currently YUME TECHNOLOGY CO. LTD.)

(Note) For details, please refer to page 26 (6) "1) Matters concerning the scope of consolidation".

(2) Changes in accounting principles and procedures and the presentation method, etc.
1) Changes associated with the revision of accounting principles, etc.: Yes
2) Change other than 1): Yes
(Note) For details, please refer to page 26 (6) "1) Matters concerning significant accounting standards."

(3) Number of shares issued (common stock)
1) Number of shares issued at the end of the term (including treasury stock)
FY9/11: 395,964 shares FY9/10: 395,964 shares
2) Number of treasury stock at the end of the term
FY9/11: 11,100 shares FY9/10: 11,100 shares
3) Average number of shares outstanding during the term
FY9/11: 384,864 share FY9/10: 384,864 shares
(Note) Please refer to page 41 "Per share information" for information regarding the number of shares used as a basis for calculating the net income (consolidated) per share.

Reference: Non-consolidated Financial Results

1. Financial Results for the Fiscal Year Ended September 30, 2011
(October 1, 2010 – September 30, 2011)

(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 2011	1,221	21.6	781	44.2	731	61.8	1,251	—
Fiscal year ended September 2010	1,004	-54.2	542	-64.0	452	-68.4	57	—

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended September 2011	3,249.41	–
Fiscal year ended September 2010	148.88	–

(2) Financial condition

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	Million yen	Million yen	%	Yen
Fiscal year ended September 2011	3,953	1,352	34.2	3,513.59
Fiscal year ended September 2010	5,592	100	1.8	260.91

Reference: Shareholders' equity
FY9/11: 1,352 million yen FY9/10: 100 million yen

* Presentation concerning implementation status of review procedures

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

* 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 4.

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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 faced severe conditions due to the large impact of the Great East Japan Earthquake, which occurred on March 11, 2011. Although the economy showed some signs of recovery, the future business outlook continues to be cautious, due to factors including the rapidly appreciating yen, the recurrence of the European financial crisis, and due to the frequency of unusual weather. Although the business environment surrounding human resource services remains difficult, there were some signs of recovery as the jobs-to-applicants ratio improved despite the overall unemployment rate remaining at the same level.

Against this backdrop during this fiscal year, and according to the “New three-year plan” unveiled on May 8, 2009, the Fullcast Holdings Group has endeavored to increase profits mainly in short-term operational support business, which is our main business. In addition, Fullcast Marketing, Co., Ltd., which performs sales support business (including three subsidiaries; hereafter referred to as the FCM Group), was changed to an equity method affiliate from a consolidated subsidiary due to a partial sale of stock and allocation of new stock to a third party (April 1, 2011). Also Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD., hereafter referred to as FCT), which provides technician dispatch business services, was eliminated from the scope of consolidation as all of its stock were sold through a takeover bid (June 30, 2011).

Consolidated sales decreased 4.9% year-on-year to 34,316 million yen due in part to the above mentioned changes in the scope of our consolidated subsidiaries during the current fiscal year.

In terms of profits, income of our short-term operational support business increased compared to the previous fiscal year despite the negative impact of the Great East Japan Earthquake, and the fact that the FCM Group, which handles sales support business and incurred a loss in the previous fiscal year, was changed to an equity method affiliate. As a result, we achieved consolidated operating income of 1,539 million yen (a 15.7% increase compared to the previous fiscal year) and consolidated ordinary income of 1,480 million yen (a 21.0% increase compared to the previous fiscal year).

We recorded extraordinary losses of 239 million yen, including a loss of 90 million yen due to the loss of disaster, an allowance for employment adjustment of 38 million yen, incurred business structure improvement expenses of 34 million yen and loss on retirement of noncurrent assets of 25 million yen. We recorded extraordinary income of 733 million yen, including a gain on sales of subsidiaries and affiliates' stocks of 522 million yen and a gain on change in equity of 94 million yen. In total, we achieved a net income of 2,143 million yen for the fiscal year (a 296.2% increase compared to the previous fiscal year).

Financial results by business segment are as follows:

a) Short-term operational support business

Net sales of 26,870 million yen (a 18.2% increase compared to the previous fiscal year) were recorded, due to an increase in the number of personnel dispatched to main customers, and to the success of measures taken to develop business by increasing the number of client companies, despite the impact of the Great East Japan Earthquake.

In terms of profits, an operating income of 1,880 million yen (an 18.8% increase compared to the previous fiscal year) was recorded due to increased sales, efforts to increase productivity through continued strengthening of management, and measures to control selling, general, and administrative expenses.

b) Security business

We were able to achieved similar level of sales as in the previous fiscal year and net sales for the security business were 2,250 million yen (a 1.3% increase compared to the previous fiscal year).

In terms of profits, however, an operating income of 10 million yen (an 87.0% decrease compared to the previous year) was recorded due to difficulties in controlling expenses.

c) Sales support business

In our sales support business, net sales of 2,001 million yen (a 70.8% decrease compared to the previous fiscal year) were recorded, and an operating loss of 36 million yen (compared with 165 million yen of loss in the previous fiscal year) was recorded due to the impact of the Great East Japan Earthquake, delays in adopting a system to meet changes in contracts of the call center business, and changes in the FCM Group, which handles sales support business, to an equity method affiliate (April 1, 2011).

c) Technician dispatch business

In our technician dispatch business, FCT, which performs the technician dispatch business, was eliminated from the scope of consolidation theough the sales of all shares owned by Fullcast Holdings in a takeover bid (June 30, 2011). Consequently, net sales of 3,195 million yen (a 25.4% decrease compared to the previous fiscal year) were recorded and operating income of 108 million yen (a 59.0% decrease compared to the previous fiscal year) was recorded.

<Reference> Quarterly Results of Operations (Consolidated)

Fiscal year ended September 2011 (Million yen)

	1st Quarter Oct. – Dec. 2010	2nd Quarter Jan. – Mar. 2011	3rd Quarter Apr. – Jun. 2011	4th Quarter Jul. – Sept. 2011	Full year Ended Sept. 2011
Net sales	9,949	8,703	7,993	7,672	34,316
Gross profit	2,478	1,993	1,824	1,686	7,982
Operating income	656	225	327	331	1,539
Ordinary income	653	222	246	358	1,480
Net income or loss	582	166	791	604	2,143
Net income or loss per share (yen)	1513.32	430.58	2,054.41	1,569.39	5,567.70
Total assets	11,910	11,160	8,485	8,747	8,747
Shareholders' equity	2,406	2,518	3,338	3,931	3,931
Shareholders' equity per share (yen)	6,250.68	6,542.16	8,674.41	10,215.24	10,215.24
Cash flows from operating activities	356	168	860	202	1,585
Cash flows from investing activities	65	-161	8	-85	-173
Cash flows from financing activities	-476	-522	-1,615	-340	-2,952
Cash and cash equivalents at end of period	4,813	4,298	3,551	3,328	3,328

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. – Sept. 2010	Full year Ended Sept. 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 or loss	279	136	194	723	1,331
Ordinary income or loss	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

2) Outlook for the Coming Fiscal Year

Fullcast Holding's business year runs from October 1 to September 30 of the following year. However in the current business year, because of the overlap of the busy work season and accounting period, our fiscal year will be changed to a year that begins on January 1 of every year and ends on December 31. This move is designed to help make preparations for the implementation of new organizational structure proceed more smoothly. Due to the change in our fiscal year, the next fiscal period will span a period of 15 months from October 1, 2011 to December 31, 2012.

- The change of accounting period is subject to a resolution for approval of the annual shareholders meeting of our Company scheduled to be held on December 22, 2011.

Projection for Consolidated Financial Results for the Fiscal Year Ending December 31, 2012

(October 1, 2011 – December 31, 2012) (Million yen)

	Fiscal year ended September 2011 Actual results	Fiscal year ending September 2012 Projection	Increase/ Decrease
Net sales	34,316	41,576	21.2%
Short-term operational support business	26,870	39,138	45.7%
Sales support business	2,001	—	—
Technician dispatch business	3,195	—	—
Security business	2,250	2,438	8.3%
Operating income	1,539	2,335	51.7%
Ordinary income	1,480	2,357	59.3%
Net income	2,143	1,945	-9.3%
Net income per share (yen)	5,567.70	5,053.73	—

(Note) 1. Estimated net income per share for the year ending December 2012 is calculated using the following formula:

$$\text{Estimated net income per share} = \frac{\text{Forecast for net income}}{\text{Estimated number of common shares outstanding during the fiscal year ending December 31, 2012}}$$

The outlook by business segment is as follows:

a) Short-term operational support business

◇In the short term operational support business a new system will be implemented to improve the efficiency of the personnel matching business, a call center will be launched to improve efficiency and raise the level of services by integrating the staff inquiry response operations which has been performed by branch offices, thereby allowing branch offices to concentrate on our main client services, and a business center will be launched to improve our business efficiency by integrating operations of payroll and billing calculations, insurance procedures, accounting procedures and others. These measures will help to raise productivity and to achieve increased revenue and profits.

b) Security business

◇In the fiscal year ending September 30, 2011, the operating income significantly decreased due to difficulties in controlling expenses because of insufficiencies of our profit management system. In the fiscal year ending December 31, 2012, we will endeavor to improve our business results by thorough project management and sales management on a customer by customer basis.

(Reference)

Projection for Consolidated Financial Results for the Period through the Fourth Quarter of Fiscal Year Ending December 31, 2012

(October 1, 2011 – September 30, 2012) (Million yen)

	Fiscal year ended September 2011 Actual results	Period through the Fourth Quarter of Fiscal Year Ending December 31, 2012 Projection	Change
Net sales	34,316	32,874	-4.2%
Short-term operational support business	26,870	30,915	15.1%
Sales support business	2,001	—	—
Technician dispatch business	3,195	—	—
Security business	2,250	1,960	-12.9%
Operating income	1,539	1,803	17.1%
Ordinary income	1,480	1,822	23.1%
Net income	2,143	1,534	-28.4%
Net income per share (yen)	5,567.70	3,985.82	—

(Note) 1. Estimated net income per share for the period through the 4th quarter of the year ending December 2012 is calculated using the following formula.

$$\text{Estimated net income per share} = \frac{\text{Forecast for net income}}{\text{Estimated number of common shares outstanding during the period through the 4th quarter of the fiscal year ending December 31, 2012}}$$

(2) Analysis of Financial Position

1) Assets, liabilities and net assets

At the end of the current fiscal year, our total consolidated assets declined by 2,732 million yen from the end of the previous term to 8,747 million yen. Shareholders' equity increased by 2,129 million yen to 3,931 million yen (shareholders' equity ratio of 44.9%) and net assets rose by 1,441 million yen to 1,441 million yen.

Major changes in assets and liabilities are as follows:

With regard to assets, current assets declined by 2,237 million yen from the end of the previous fiscal year to 7,501 million yen. This change is mainly attributed to a 1,690 million yen decrease in cash and deposits to 3,328 million yen, which was associated with the changes with the FCM Group that handles the sales support business and FCT that handles the technician dispatch business, and a 533 million yen decrease in notes and accounts receivable trade to 3,579 million yen.

Noncurrent assets declined by 495 million yen from the end of the previous fiscal year to 1,247 million yen. This change was mainly attributed to a 225 million yen increase in long-term loan receivables from subsidiaries and affiliates to 225 million yen, a 413 million yen decrease in guarantee deposits to 230 million yen which was associated with the changes with the FCM Group that handles the sales support business and FCT that handles the technician dispatch business and furthermore due to a 250 million yen decrease in investment securities to 235 million yen and a 72 million yen decrease in software to 139 million yen.

With regard to liabilities, current liabilities declined by 3,254 million yen from the end of the previous fiscal year to 4,544 million yen, and noncurrent liabilities declined by 918 million yen from the end of the previous fiscal year to 272 million yen. This change was due to declines associated with the changes with the subsidiaries as in the category of assets, a decrease of 1,230 million yen to 1,781 million yen for the short-term loans payable as a result of repayment by using money received from the sale of FCT stock, and a decrease of 1,060 million yen to 670 million yen for the current portion of long-term loans payable and a decrease of 670 million yen to 0 yen for other 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 1,540 million yen from the end of the previous fiscal year to 3,328 million yen as of the end of the current fiscal year. (A decline of 47 million yen in the previous year.)

(Cash flows from operating activities)

Income before income taxes and minority interests was 1,974 million yen, depreciation and amortization was 228 million yen. Accrued consumption taxes increased by 139 million yen, accrued expenses increased to 126 million yen and equity in (earnings) losses of affiliates was 77 million yen. Furthermore, gain on sales of stocks of subsidiaries and affiliates was 522 million yen, and notes and accounts receivable-trade increased by 305 million yen (a 215 million yen decrease in notes and accounts payable-trade). As a result, net cash provided by operating activities amounted to 1,585 million yen. (In the previous year, net cash provided by operating activities was 1,951 million yen.)

(Cash flows from investing activities)

Sale of investments in subsidiaries due to changes in the scope of consolidation led to an income of 365 million yen, proceeds from withdrawal of time deposits led to an income of 200 million yen, payments of loans receivable resulted in an outflow of 345 million yen, purchase of property, plant and equipment resulted in an outflow of 309 million yen and a purchase of intangible assets resulted in 108 million yen. Therefore net cash used in investing activities was 173 million yen. (In the previous year, net cash used by investing activities was 348 million yen.)

(Cash flows from financing activities)

We saw an outflow for the repayment of long-term loans payable of 1,730 million yen and net decrease in short-term loans payable of 1,230 million yen. Consequently net cash used in financing activities was 2,952 million yen. (In the previous year, net cash used in financing activities was 1,651 million yen.)

(Reference) Trends in Cash Flow Indexes

	Fiscal year ended September 2009	Fiscal year ended September 2010	Fiscal year ended September 2011
Shareholders' equity (Million yen)	1,292	1,802	3,931
Shareholders' equity ratio (%)	9.9	15.7	44.9
Ratio of interest-bearing debt to cash flow (%)	410.4	294.3	135.7
Interest coverage ratio (times)	8.4	16.1	25.5
Market value-based equity ratio (%)	17.1	13.8	58.3

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

Marekt value-based equity ratio(%) = stock market price ÷ total assets

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.
5. The value of shares = Stock price at the end of the term x Number of shares outstanding at the end of the term (after deducting treasury stocks)

(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 periods. Furthermore, as defined in our articles of incorporation, both interim and year-end dividend payments will be decided during our board of directors' meeting. Our company will change the accounting period, and the next fiscal year (the fiscal year ending December 31, 2012) will be an irregular accounting period covering 15 months. Although the term of office of directors is one year in order for the board of directors to decide dividend payments for the end of an accounting year, the term of office of our directors will exceed one year as a result of the irregular accounting period. Therefore, the organization for decision of dividend payments will be changed from the board of directors to the shareholders meeting, subject to a resolution for approval of the annual shareholders meeting of our Company scheduled to be held on December 22, 2011.

Since it is currently difficult for our Company to distribute profits, we have decided to forgo paying interim and year-end dividends during the current term (year ended September 2011). Furthermore, we expect to forgo dividend payment in the next term (year ended December 2012) as part of our efforts to fortify our financial base. It is our goal to quickly establish stability in our business operations so that we can begin paying dividends again while at the same time promoting growth in our various businesses.

(4) Risks Associated with Businesses

Major potential risk factors for the Fullcast Group in the course of its operating businesses are described below. As part of our policy to be proactive in the disclosure of information to investors, however, the description may also include matters that do not necessarily fall under the category of business risk, but which 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 require us to take an extended amount of time in converting our business model.

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.

In addition, Our company has provided financial assistance to our affiliated companies. For such financial assistance, our Company has taken measures such as receipt of collateral as necessary. However, in the event of bad debts due to a decrease in the collectability or deterioration of the value of the collateral as a result of a deterioration of earnings of such affiliated companies, our Group’s earnings could be negatively impacted.

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 of 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. Should the Group be subject to disqualification, our license could be revoked, 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 licenses are cancelled or if other measures are taken, we may be prevented from providing employee dispatching services, which could seriously impact the performance of our Group.

c) Onsite Subcontracting Services

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 that 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 due payments, 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 are 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 condition for employment insurance was relaxed from "six months or more" to "31 days or more".

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 databases. However, if these servers were to 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 reduce 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, our 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 Fullcast Group continues to improve information security in its business activities.

4) Workplace Accidents and Transaction-Related Troubles

In the event that a staff is killed, 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 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, or 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, our performance may be seriously impacted by accidents, depending on their 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.

2. Corporate Group

Our Group is expanding the "short-term operational support business" (providing timely short-term personnel services in response to increases or declines in the amount of work at corporate customers), and the "Security businesses" (providing security services mainly for public facilities and ordinary corporations)

We provide a diagram of the status of affiliated companies and their business activities as of September 30, 2011 below.

(1) Status of Affiliated Companies

Company	Location	Capital (mil. yen)	Major business activities	Voting shares (%)	Issues to be noted
(Consolidated subsidiary) Fullcast Co., Ltd. (Note 2, 4)	Shinagawa-ku, Tokyo	80	Short-term operational support business	100.0	- We sublet a part of our rented building to this company for office use. - 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	- We sublet a part of our rented building to this company for office use. - Interlocking directorates: 2 - Provides financial support (borrowing and lending operating capital)
Fullcast Advance Co., Ltd	Shinagawa-ku, Tokyo	80	Security business Short-term operational support business	100.0	- We sublet a part of our rented building to this company for office use. - Interlocking directorates: 2 - Provides financial support (borrowing and lending operating capital)
Fullcast Business Support Co., Ltd.	Shinagawa-ku, Tokyo	9	Entire company	100.0	- We sublet a part of our rented building to this company for office use. - Provides financial support (borrowing and lending operating capital)
(Equity method affiliate) Fullcast Marketing Co., Ltd.	Shinagawa-ku, Tokyo	443	Sales support business	33.3	- We sublet a part of our rented building to this company for office use. - Interlocking directorates: 3 - Provides financial support (borrowing and lending operating capital)

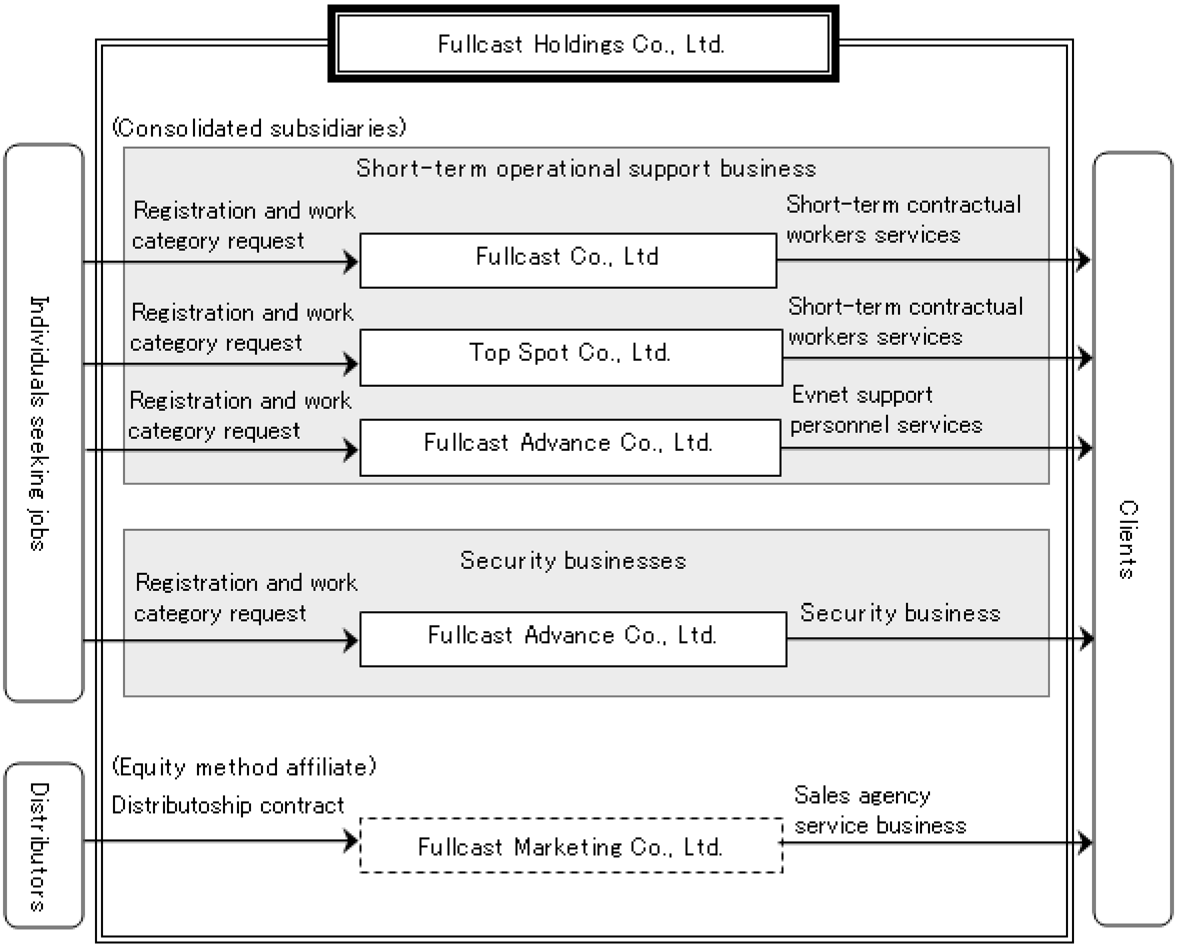
Notes 1: The "Major business activities" category follows the business segment classification.
2: Specified subsidiary.
3: None of the companies listed above has submitted the securities registration statement or the securities report.
4: Sales by Fullcast Co., Ltd. and Fullcast Advance Co., Ltd. (excluding internal sales among consolidated companies) account for over 10% of consolidated sales.

Key information about profit and loss

	Fullcast Co., Ltd.	Fullcast Advance Co., Ltd.
Sales	22,987	4,139
Ordinary income	956	-57
Net income	1,181	-99
Net assets	3,552	280
Total assets	5,273	848

(2) Diagram of Business Activities

A diagram of business activities is shown below:



Note 1: The above diagram is current as of September 30, 2011.

Note 2: [box] is Fullcast Holdings, [box] is a consolidated subsdiary, [dashed box] is a equity method affiliate.

Note 3: Fullcast Mrkating Co., Ltd., which is engaged in the sales support business, is tranfered to an equity ratio method on April 1, 2011.

Note 4: Fullcast Technology Co. (currently YUME TECHNOLOGY Co., Ltd.), which is engaged in the technisian dispatch business, has been eliminated from consolidation.

3. Management Policies

(1) Fundamental Management Policies

The fundamental philosophy of the Fullcast Group is “to contribute to the improvement of productivity of countries and regions to which we provide services as a human resource service company.” Our Group aims to maintain its status as an organization that can provide added value consistently by improving productivity of our client customers by increasing the variabile portion of their personnel costs, as well as by making efforts to improve productivity through the substitution and integration of operations and to improve productivity through management of motivation and assistance in the improvement of skills for registered staff in the future. 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 upon 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

We announced the “New Three Year Plan”, our intermediate business plan, on May 8, 2009. During this period, we have worked toward business restructuring focusing upon the reduction of our workforce and consolidation of branch offices, and financial restructuring focused upon sales and reorganization of subsidiaries, and implemented selection and concentration of our business efforts. In addition, our Group achieved each of the themes of “Restructuring of Business Structure,” “Return to Profits,” and “Earnings Growth” which were the goals of each fiscal year, and constructed a business structure that can achieve increased sales and profits.

At the same time, the environment surrounding human resource services including our Group remains severe, as there have been concerns about a global business downturn, continued appreciation in the yen, and declining stock prices due to the European financial instability. Furthermore the economic impact related to the Great East Japan Earthquake resulted in a downturn in production activities of our client companies, which in turn has caused a downturn of demand for labor.

Against this backdrop, our Group endeavors to achieve “further improvement of our productivity” focusing on short-term operational support business as a main management issue, in order to realize an increase of profits through our own efforts not affected by the external environment. 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.

1) Installation of a new system

1. Outline: Renewal of an operational system and a portal site for registered staff.
2. Purpose: Enhance the efficiency of the matching operation.

2) Launch of a call center

1. Outline: Launch of a call center for responding to inquiries from registered staff about salary, insurance, various certificates, etc., which have been responded to by each branch.
2. Purpose: To enhance the efficiency by reducing man-hours for answering phone calls at each branch and concentrating on other operations of each branch.
   : To enhance the level of inquiry responses by having dedicated operators perform the operations.

: To enhance the efficiency of the operation concerning inquiries by integrating inquiry response operations.
: To provide a stable service to registered staff by resolving difficulties in getting through by phone for inquiry.

3) Launch of a business center

1. Outline: Launch of a business centerintegrating operations such as payroll accounting, invoice accounting, insurance procedures, accounting processing, etc.
2. Purpose: To enhance the efficiency and service level by concentrating the primary operations (core operations) of the head office and each branch.
   : To enhance efficiency of the operation by integrating administrative work.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Million yen)

	End of consolidated accounting period for the previous fiscal year (September 30, 2010)	End of consolidated accounting period for the current fiscal year (September 30, 2011)
ASSETS		
Current assets		
Cash and deposits	5,017	3,328
Notes and accounts receivable-trade	4,112	3,579
Merchandise	23	10
Work in process	1	—
Supplies	13	7
Current portion of long-term loans receivable from subsidiaries and affiliates	—	120
Deferred tax asset	186	285
Other	408	205
Allowance for doubtful accounts	-24	-32
Total current assets	9,737	7,501
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	136	209
Accumulated depreciation and impairment loss	-55	-51
Buildings and structures, net	81	158
Machinery and vehicles	2	2
Accumulated depreciation and impairment loss	-2	-2
Machinery, equipment and vehicles, net	0	0
Tools, furniture and fixtures	1,327	408
Accumulated depreciation and impairment loss	-1,171	-253
Tools, furniture and fixtures, net	156	155
Construction in progress	-	16
Total property, plant and equipment	237	329
Intangible assets		
Software	211	139
Other	27	48
Total intangible assets	237	187
Investments and other assets		
Investment securities	*2 485	*2 235
Long-term loans receivable from subsidiaries and affiliates	0	225
Guarantee deposits	643	230
Deferred tax assets	63	18
Other	152	73
Allowance for doubtful accounts	-76	-52
Total investments and other assets	1,267	730
Total noncurrent assets	1,741	1,247
Total assets	11,479	8,747

(Million yen)

	End of consolidated accounting period for the previous fiscal year (September 30, 2010)	End of consolidated accounting period for the current fiscal year (September 30, 2011)
LIABILITIES		
Current liabilities		
Notes and accounts payable-trade	72	46
Short-term loans payable	※1 3,011	*1 1,781
Current portion of long-term loans payable	1,730	670
Accounts payable-other	1,647	1,219
Accrued expenses	749	502
Income taxes payable	132	127
Deferred tax liabilities	0	—
Provision for bonuses	243	93
Allowance for cancellation adjustments	9	—
Other	205	106
Total current liabilities	7,798	4,544
Noncurrent liabilities		
Long-term loans payable	670	—
Deferred tax liabilities	5	7
Provision for retirement benefits	482	213
Asset retirement obligations	—	33
Negative goodwill	22	—
Other	12	19
Total noncurrent liabilities	1,190	272
Total liabilities	8,988	4,816
NET ASSETS		
Shareholders' equity		
Capital stock	2,780	2,780
Capital surplus	2,013	2,013
Retained earnings	-222	1,921
Treasury stock	-2,747	-2,747
Total shareholders' equity	1,825	3,968
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	-23	-36
Total accumulated other comprehensive income	-23	-36
Minority interests	688	—
Total net assets	2,491	3,931
Total liabilities and net assets	11,479	8,747

(2) Consolidated Profit and Loss Statement and Consolidated Statement of Comprehensive Income

Consolidated Profit and Loss Statement

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Net sales	36,084	34,316
Cost of sales	27,273	26,334
Gross profit	8,810	7,982
Selling, general and administrative expenses		
Salaries and bonuses	2,693	2,176
Other salaries	261	454
Legal welfare expenses	419	409
Provision for bonuses	133	104
Retirement benefit expenses	23	77
Communication expenses	416	314
Advertising expenses	242	158
Traveling and transportation expenses	304	288
Rents	878	550
Depreciation	321	224
Recruitment expense	81	200
Provision of allowance for doubtful accounts	11	35
Amortization of goodwill	15	—
Other	*1 1,682	*1 1,453
Total selling, general and administrative expenses	7,479	6,443
Operating income	1,331	1,539
Non-operating income		
Interest income	2	4
Dividends income	11	9
Real estate rent	—	7
Reversal of accounts payable	43	25
Gain on adjustment of account payable	—	18
Other	73	67
Total non-operating income	130	130
Non-operating expenses		
Interest expenses	111	70
Rent cost of real estate	—	7
Equity in losses of affiliates	13	77
Other	113	36
Total non-operating expenses	238	190
Ordinary income	1,223	1,480

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Extraordinary income		
Gain on sales of noncurrent assets	※2 0	※2 0
Gain on sales of investment securities	7	22
Gain on sales of subsidiaries and affiliates' stocks	185	522
Gain on change in equity	359	94
Gain on reversal of business structure improvement	—	42
Government subsidy received	181	26
Compensation income	—	24
Reversal of allowance for doubtful accounts	36	3
Gain on transfer of business	2	—
Surrender value of insurance	12	—
Total extraordinary income	782	733
Extraordinary loss		
Loss on sales of noncurrent assets	※3 2	※3 1
Loss on retirement of noncurrent assets	※4 17	※4 25
Loss on valuation of investment securities	543	—
Impairment loss	※5 23	※5 18
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	15
Allowance for employment adjustment	200	38
Business structure improvement expenses	※9 343	※9 34
Special retirement expenses	※8 45	※8 17
Loss on closing of stores	※6 105	※6 —
Loss on disaster	※10 —	※10 90
Head office transfer cost	※7 150	※7 —
Cancellation loss of dormitory	13	—
Litigation expenses	30	—
Loss on insurance cancellation	3	—
Other	12	0
Total extraordinary losses	1,485	239
Income before income taxes and minority interests	520	1,974
Income taxes-current	132	141
Income taxes-deferred	-212	-214
Total income taxes	-80	-74
Income before minority interests	—	2,047
Minority interests in income (loss)	59	-95
Net income	541	2,143

Consolidated Statement of Comprehensive Income

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Income before minority interests	—	2,047
Other comprehensive income		
Valuation difference on available-for-sale securities	—	-39
Share of other comprehensive income of associates accounted	—	-3
Total other comprehensive income	—	-42
Comprehensive income	—	2,006
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	—	2,129
Comprehensive income attributable to minority interests	—	-123

(3) Consolidated Statements of Shareholders' Equity

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,741	2,780
Changes of items during the period		
Capital reduction	-961	—
Total changes of items during the period	-961	—
Balance at the end of current period	2,780	2,780
Capital surplus		
Balance at the end of previous period	3,183	2,013
Changes of items during the period		
Capital reduction	961	—
Deficit disposition	-2,130	—
Total changes of items during the period	-1,169	—
Balance at the end of current period	2,013	2,013
Retained earnings		
Balance at the end of previous period	-2,893	-222
Changes of items during the period		
Deficit disposition	2,130	—
Net income	541	2,143
Total changes of items during the period	2,671	2,143
Balance at the end of current period	-222	1,921
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	1,284	1,825
Changes of items during the period		
Capital reduction	—	—
Deficit disposition	—	—
Net income	541	2,143
Total changes of items during the period	541	2,143
Balance at the end of current period	1,825	3,968

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	8	-23
Changes of items during the period		
Net changes of items other than shareholders' equity	-30	-14
Total changes of items during the period	-30	-14
Balance at the end of current period	-23	-36
Total accumulated other comprehensive income		
Balance at the end of previous period	8	-23
Changes of items during the period		
Net changes of items other than shareholders' equity	-30	-14
Total changes of items during the period	-30	-14
Balance at the end of current period	-23	-36
Minority interests		
Balance at the end of previous period	432	688
Changes of items during the period		
Net changes of items other than shareholders' equity	256	-688
Total changes of items during the period	256	-688
Balance at the end of current period	688	—
Total net assets		
Balance at the end of previous period	1,724	2,491
Changes of items during the period		
Net income	541	2,143
Net changes of items other than shareholders' equity	226	-702
Total changes of items during the period	767	1,441
Balance at the end of current period	2,491	3,931

(4) Consolidated Cash Flows Statement

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	520	1,974
Depreciation and amortization	326	228
Amortization of goodwill	15	—
Impairment loss	23	18
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	15
Loss on retirement of noncurrent assets	17	25
Loss (gain) on sales of noncurrent assets	2	0
Loss (gain) on valuation of investment securities	543	—
Loss (gain) on sales of stocks of subsidiaries and affiliates	-185	-522
Loss (gain) on sales of investment securities	-7	-22
Loss (gain) on change in equity	-359	-94
Loss (gain) on transfer of business	-2	—
Interest and dividends income	-14	-13
Interest expenses	111	70
Equity in (earnings) losses of affiliates	13	77
Bad debts expenses	9	—
Increase (decrease) in allowance for doubtful accounts	-83	16
Increase (decrease) in provision for bonuses	-54	-56
Increse (decrease) in allowance for cancellation adjustements	-82	—
Increase (decrease) in provision for retirement benefits	-16	10
Decrease (increase) in notes and accounts receivable-trade	225	-305
Decrease (increase) in inventories	136	-39
Increase (decrease) in notes and accounts payable-trade	-49	-215
Decrease (increase) in insurance funds	245	—
Decrease (increase) in accounts receivable-other	271	22
Increase (decrease) in accrued expenses	-69	126
Increase (decrease) in accrued consumption taxes	-393	139
Other, net	696	352
Subtotal	1,839	1,807
Interest and dividends income received	14	12
Interest expenses paid	-114	-71
Income taxes paid	-135	-195
Income taxes refund	348	32
Net cash provided by (used in) operating activities	1,951	1,585

(Million yen)

	Consolidated accounting period for the previous fiscal year (From October 1, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Net cash provided by (used in) investing activities		
Payments into time deposits	-300	—
Proceeds from withdrawal of time deposits	100	200
Purchase of property, plant and equipment	-104	-309
Proceeds from sales of property, plant and equipment	1	0
Purchase of intangible assets	-23	-108
Purchase of investment securities	-301	-0
Proceeds from sales of investment securities	68	28
Payments of loans receivable	-530	-345
Collection of loans receivable	531	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation	※2 -13	※2 —
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	※3 —	※3 365
Purchase of investments in subsidiaries	-20	—
Proceeds from sales of investments in subsidiaries	223	—
Proceeds from transfer of business	21	—
Other, net	-1	-3
Net cash provided by (used in) investing activities	-348	-173
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	-27	-1,230
Repayment of long-term loans payable	-2,012	-1,730
Proceeds from stock issuance to minority shareholders	425	12
Cash dividends paid	-0	-0
Other, net	-36	-4
Net cash provided by (used in) financing activities	-1,651	-2,952
Net increase (decrease) in cash and cash equivalents	-47	-1,540
Cash and cash equivalents at beginning of period	4,914	4,867
Cash and cash equivalents at end of period	※1 4,867	※1 3,328

(5) Concerning notes about going concern assumption

There are no relevant matters.

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

1) Matters concerning the scope of consolidation

Consolidated subsidiaries: 4 Fullcast Co., Ltd.
Top Spot Co., Ltd.
Fullcast Advance Co., Ltd.
Fullcast Business Support Co., Ltd.

Notes1: Marketing Square Co., Ltd., which was a consolidated subsidiary, was merged into Telecom Marketing Co., Ltd. on October 1, 2010.

2: On May 2, 2011, our Company partially transferred the shares of Fullcast Marketing Co., Ltd. and Fullcast Marketing Co., Ltd. executed allocation of new shares to a third party. As a result, Fullcast Marketing Co., Ltd. changed to an equity method affiliate on April 1, 2011 as a reference date. In addition, consolidated subsidiaries of Fullcast Marketing Co., Ltd. (Telecom Marketing Co., Ltd., East Communication Inc. and EKO-SYSTEM Inc.) were also eliminated from the scope of consolidation on the same reference date.

3: Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.) was eliminated from the scope of consolidation on June 30, 2011 as a reference date due to a transfer of all stocks owned by our Company on May 31, 2011.

2) Matters concerning the application of the equity method

(a) Affiliates accounted for by the equity method: 1 Fullcast Marketing Co., Ltd.

Note: On May 2, 2011, our Company partially transferred the shares of Fullcast Marketing Co., Ltd. and Fullcast Marketing Co., Ltd. executed allocation of new shares to a third party. As a result, the ratio of our equity ownership in this company decreased, and this company is included in the scope of application of the equity method.

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

There are no relevant matters.

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

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

4) Matters concerning significant accounting policies

Changes in accounting policies

(Application of “Accounting Standards for Asset Retirement Obligations”)

From the current consolidated fiscal year, we are applying the “Accounting Standards for Asset Retirement Obligations” (Corporate Accounting Standards vol. 18, March 31, 2008) and the “Application Guideline of Accounting Standards for Asset Retirement Obligations” (Corporate Accounting Standards Application Guideline vol. 21, March 31, 2008).

As a result, operating income and ordinary income have both decreased by 12 million yen, while income before taxes and minority interests have decreased by 26 million yen. Changes in asset retirement obligations resulting from applying these accounting standards total 32 million yen.

(Application of “Accounting Standards for Business Combinations”)

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

Changes in presentation method

(Regarding consolidated profit and loss statement)

From the current consolidated fiscal year, as a result of applying the “Cabinet Order on the Partial

Revision of the Regulation for Terminology, Forms, and Preparation of Financial Statements" (March 24, 2009, Cabinet Office Ordinance vol. 5), based on "Accounting Standards for Consolidated Financial Statements" (Corporate Accounting Standards vol. 22, December 26, 2008), we have displayed the account item, "Income before minority interests."

(Regarding consolidated cash flow statement)

In the current consolidated fiscal year, "Decrease (increase) in insurance funds" and "Bad debts expenses," which were listed separately under "Net cash provided by (used in) operating activities" in the previous consolidated fiscal year, were of little importance in monetary terms, it has been included among "Other."

For the current consolidated fiscal year, the value of "Decrease (increase) in insurance funds," as included among "Other" under "Net cash provided by (used in) operating activities," was -6 million yen (increase), and "Bad debts expenses" was 0 million yen.

Additional information

(Application of "Accounting Standards for Presentation of Comprehensive Income")

From the current consolidated fiscal year, we are applying "Accounting Standards for Presentation of Comprehensive Income" (Corporate Accounting Standards vol. 25, June 30, 2010). However, for the amount of "Other accumulated comprehensive income" and "Total other accumulated comprehensive income" in the previous consolidated fiscal year, the amount of "Valuation and translation adjustments" and "Total valuation and translation adjustments" are written.

(7) Notes on Consolidated Financial Statements

(Notes on consolidated balance sheet)

(Million yen)

Consolidated accounting period for the previous fiscal year (September 30, 2010)	Consolidated accounting period for the current fiscal year (September 30, 2011)
*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.	*1 ――――――
*2 ――――――	*2 The following figure reflects affiliated companies. Investment securities 16
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	3. 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 824 Borrowing 661 Balance 163

(Notes on consolidated profit and loss statement)

(Million yen)

<table>
<tr><th>Consolidated accounting period for the previous fiscal year
(From October 1, 2009 To September 30, 2010)</th><th>Consolidated accounting period for the current fiscal year
(From October 1, 2010 To September 30, 2011)</th></tr>
<tr><td>*1. ――――――</td><td>*1. Total of the research and development cost included in selling and general expenses is 6 million yen.</td></tr>
<tr><td>*2. Significant components of gain on sales of noncurrent assets
Tools, furniture and fixtures 0
Total 0</td><td>*2. Significant components of gain on sales of noncurrent assets
Tools, furniture and fixtures 0
Total 0</td></tr>
<tr><td>*3. Significant components of loss on sales of noncurrent assets
Tools, furniture and fixtures 2
Total 2</td><td>*3. Significant components of loss on sales of noncurrent assets
Tools, furniture and fixtures 1
Total 1</td></tr>
<tr><td>*4. Significant components of loss on disposal of noncurrent assets
Buildings and structures 9
Machinery and vehicles 0
Tools, furniture and fixtures 8
Total 17</td><td>*4. Significant components of loss on disposal of noncurrent assets
Buildings and structures 10
Tools, furniture and fixtures 14
Software 0
Total 25</td></tr>
<tr><td>*5. The details of the impairment loss are as follows.
(1) Main assets for which an impairment loss was recognized
<table><tr><th>Use</th><th>Type</th><th>Place</th></tr><tr><td>Excess Earning Power</td><td>Goodwill</td><td>Kita-ku, Osaka</td></tr></table>
(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.

(3) Amount of impairment loss
Goodwill 23

(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.</td><td>*5. The details of the impairment loss are as follows.
(1) Main assets for which an impairment loss was recognized
<table><tr><th>Use</th><th>Type</th><th>Place</th></tr><tr><td>Business assets of the sales support business</td><td>Buildings and structures
Tools, furniture and fixtures
Software
Construction in process account</td><td>Shinagawa-ku, Tokyo</td></tr></table>
(2) Background to Recognition of Impairment Loss
As a result of review of the business plan of Fullcast Marketing Co., Ltd. (Shinagawa-ku, Tokyo), which was our consolidated subsidiary, the cash flow from operating activities is continuing to be negative in the sales support business (ECOMO Business), and it is difficult to estimate the generation of the highly probable future cash flow from operating activities. Therefore, we consider the total book value of the fixed assets such as the possessed key system to be unrecoverable and recognize the impairment loss.

3) Amount of impairment loss
Buildings and structures 2
Tools, furniture and fixtures 1
Construction in progress 3
Software 12

(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
Same as on the left.</td></tr>
<tr><td>*6. The loss on closure of offices is a loss resulting</td><td>*6. ――――――</td></tr>
</table>

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.	

Consolidated accounting period for the previous fiscal year (From October 1, 2009 To September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 To September 30, 2011)
*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 of retirement fees paid in the voluntary retirement program implemented at our consolidated subsidiaries of Fullcast Technolgy Co., Ltd. * 9. 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. * 10. ――――――	*7. ―――――― * 8. Same as on the left. * 9. Business structure improvement costs were incurred when revising the functionality of offices and other facilities at the subsidiary, Fullcast Advance Co., Ltd. * 10. The loss caused by the disaster is the total amount of business suspension allowances paid to the staff and personnel expenses, fixed costs, etc. incurred by our consolidated subsidiaries Fullcast Co., Ltd., Fullcast Advance Co., Ltd., Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.), Telecom Marketing Co., Ltd. and East Communication Inc. during the suspension of operations of their business establishments accompanying the Great Eastern Japan Earthquake.

(Information on Consolidated Statement of Comprehensive Income)

Previous Consolidated Fiscal Year (From October 1, 2010 through September 30, 2011)

*1. Comprehensive Income in Consolidated Fiscal Year immediately preceding the Current Consolidated Fiscal Year

Comprehensive Income relating to Shareholders of Parent Company	510 million yen
Comprehensive Income relating to Minority Shareholders	42 million yen
Total	552 million yen

*2. Other Comprehensive Income in Consolidated Fiscal Year immediately preceding the Current Consolidated Fiscal Year

Valuation difference on available-for-sale securities	-48 million yen

(Notes on consolidated statement of changes in net asset)

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.

Fiscal year ended September 2011 (October 1, 2010 to September 30, 2011)

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)

<table>
<tr><th>Consolidated accounting period for the previous fiscal year
(From October 1, 2009 To September 30, 2010)</th><th>Consolidated accounting period for the current fiscal year
(From October 1, 2010 To September 30, 2011)</th></tr>
<tr><td>*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. 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 interest -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 interest -46
Purchase of shares 51
Cash and equivalents -75
Costs incurred from purchase (- = income) -24</td><td>*1. Reconciliation of the consolidated balance sheet items to cash and cash equivalents in the consolidated cash flows statements
Cash and deposits 3,328
Cash and cash equivalents 3,328

* 2. ―</td></tr>
</table>

<table>
<tr><th>Consolidated accounting period for the previous fiscal year
(From October 1, 2009 To September 30, 2010)</th><th>Consolidated accounting period for the current fiscal year
(From October 1, 2010 To September 30, 2011)</th></tr>
<tr><td>*3. ______________________</td><td>*2. Assets and liabilities of subsidiaries removed from scope of consolidation due to share sale.
The assets and liabilities at the time of exclusion from consolidation accompanying exclusion of Fullcast Marketing Co., Ltd. and its three subsidiaries from the scope of consolidation through the sale of stocks and the implementation of allocation of new shares to a third party, and its relationship with the income (net) from the sale of the stocks of these companies.
<table>
<tr><td>Current assets</td><td>422</td></tr>
<tr><td>Noncurrent assets</td><td>374</td></tr>
<tr><td>Current liabilities</td><td>-628</td></tr>
<tr><td>Noncurrent liabilities</td><td>-52</td></tr>
<tr><td>Negative goodwill</td><td>-19</td></tr>
<tr><td>Valuation difference on available-for-sale securities</td><td>99</td></tr>
<tr><td>Minority interest</td><td>-121</td></tr>
<tr><td>Sale of affiliated company shares</td><td>196</td></tr>
<tr><td>Subtotal</td><td>272</td></tr>
<tr><td>Equith method book value at the time of loss of control</td><td>-73</td></tr>
<tr><td>Sale of shares
(Excluding sales commissions)</td><td>199</td></tr>
<tr><td></td><td>225</td></tr>
<tr><td>Cash and equivalents</td><td>-52</td></tr>
<tr><td>Income derived from liquidation
(- = loss)</td><td>371</td></tr>
</table>
The assets and liabilities at the time of exclusion from consolidation accompanying exclusion of Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.) from the scope of consolidation through the sale of stocks and its relationship with the income (net) from the sale of the stocks of these companies.
<table>
<tr><td>Current assets</td><td>2,064</td></tr>
<tr><td>Noncurrent assets</td><td>201</td></tr>
<tr><td>Current liabilities</td><td>-544</td></tr>
<tr><td>Noncurrent liabilities</td><td>-277</td></tr>
<tr><td>Minority interest</td><td>-462</td></tr>
<tr><td>Sale of affiliated company shares</td><td>326</td></tr>
<tr><td>Sale of shares
(Excluding sales commission)</td><td>1,309</td></tr>
<tr><td>Cash and equivalents</td><td>-1,315</td></tr>
<tr><td>Income derived from liquidation
(- = loss)</td><td>-6</td></tr>
</table>
</td></tr>
</table>

(Securities)

Previous consolidated fiscal year

1. Securities with market quotations classified as "Other" (as of September 30 2010) (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)

Current consolidated fiscal year

1. Securities with market quotations classified as “Other” (as of September 30 2011) (Million yen)

Security	Acquisition cost	Carrying value	Unrealized gain/loss
Carrying value exceeds acquisition cost			
(1) Equity securities	14	17	3
(2) Debt securities			
JGBs and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds	—	—	—
(3) Other securities	—	—	—
Subtotal	14	17	3
Carrying value does not exceed acquisition cost			
(1) Equity securities	3	2	-0
(2) Debt securities			
JGBs and municipal bonds	—	—	—
Corporate bonds	—	—	—
Other bonds	—	—	—
(3) Other securities	—	—	—
Subtotal	3	2	-0
Total	17	20	3

2. Other securities sold during the consolidated fiscal year (October 1, 2010 – September 30, 2011)

(Million yen)

Selling price	Total profit on sale	Total loss on sale
28	22	—

3. Securities without market quotations classified as “Other” (as of September 30, 2011)

(Million yen)

	Carrying value
Subsidiary and affiliate stock	
Affiliate stock	16
Other securities	
Securities without market quotations	200

Note: Equity securities (carrying value) are reported at fair value after adjustment for impairment on the consolidated balance sheet.

(Notes on retirement benefits)

(Million yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2009 To September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 To September 30, 2011)
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. 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, two 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, 2010) Pension assets 38,325 Benefit obligation based on the calculation of pension financial position 50,882 Difference -12,557	(1) Matters concerning the funded status of the overall plan (as of March 31, 2011) Pension assets 37,202 Benefit obligation based on the calculation of pension financial position 50,813 Difference -13,611
(2) The ratio of contribution of the Company Group to the overall plan (From April 1, 2009 to March 31, 2010) 0.06%	(2) The ratio of contribution of the Company Group to the overall plan (From April 1, 2010 to March 31, 2011) 0.09%
(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.	(3) Supplementary explanation The main factor for the difference in (1) above is the balance of prior service costs of 10,830 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 18 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, 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	2. Matters concerning retirement benefit obligation (as of September 30, 2011) a. Retirement benefit obligation -313 b. Pension assets 103 c. Non-accumulated retirement benefit obligation (a + b) -211 d. Prepaid pension cost 2 e. Retirement benefit allowance (c – d) -213

3. Matters concerning retirement benefit expenses a. Service cost 137 b. Interest cost 10 c. Expected return on plan assets -1 d. Cost to dispose of computational differentials -81 e. Contribution to employees' pension fund 2 f. Retirement benefit expenses (a + b + c + d + e) 67 (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. a. Distribution of estimated retirement benefits during term: Fixed amount standards during term b. Discount rate: Mainly 0.4% c. Expected rate of return on plan assets: 1.5% d. Number of years to dispose of computational differentials: Mainly 1 year	3. Matters concerning retirement benefit expenses a. Service cost 96 b. Interest cost 2 c. Expected return on plan assets -1 d. Cost to dispose of computational differentials 8 e. Contribution to employees' pension fund 2 f. Retirement benefit expenses (a + b + c + d + e) 107 (Note) Aside from the retirement benefit fees listed above are 17 million yen booked as extraordinary loss. 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 b. Discount rate: Mainly 0.4% c. Expected rate of return on plan assets: 1.5% 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, 2010)

1. Breakdown of main reasons for deferred tax asset and deferred liability

Deferred tax asset	
Allowance for bad debts and bad debt loss	29
Allowance for retirement benefits	196
Allowance for bonuses	100
Expenses for busi ess structure improvement	137
Loss on closing of stores	23
Excess of allowance for depreciation	16
Loss from revaluation of investment securities	255
Loss carryforward	3,921
Accrued enterprise taxes	7
Accrued social insurance premiums	13
Accrued office taxes	10
Impairment loss	116
Other	38
Subtotal of deferred tax asset	4,861
Valuation reserve	-4,611
Total deferred tax asset	249
Deferred tax liability	
Revaluation differentials of other securities	-2
Other	-3
Subtotal of deferred tax liability	-5
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.

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

Consolidated accounting period for the current fiscal year (September 30, 2011)

1. Breakdown of main reasons for deferred tax asset and deferred liability

Deferred tax asset	
Allowance for bad debts and bad debt loss	26
Allowance for retirement benefits	87
Allowance for bonuses	38
Expenses for busi ess structure improvement	17
Loss from revaluation of investment securities	252
Loss carryforward	2,148
Accrued enterprise taxes	9
Accrued social insurance premiums	5
Accrued office taxes	10
Impairment loss	12
Asset retirement obligations	6
Other	18
Subtotal of deferred tax asset	2,629
Valuation reserve	-2,326
Total deferred tax asset	302
Deferred tax liability	
Revaluation differentials of other securities	-7
Subtotal of deferred tax liability	-7
Net deferred tax asset	296

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	0.6
Dividend income	-3.0
Fixed-rate municipal tax	2.7
Earnings from change in equity method	-1.9
Loss carried forward	37.6
Internal adjustment for appraisal loss of affiliate and subsidiary companies	9.2
Impairment loss	-10.0
Investment loss due to equity method	1.6
Valuation reserve amount	-80.9
Other	-0.3
Ratio of tax expenses, including corporate taxes, after tax effect accounting is applied	-3.7

(Segment information)

Information on the business segments

Previous 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.

Geographic segment information

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

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

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

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

Segment information

Current consolidated fiscal year (October 1, 2010 – September 30, 2011)

1. Overview of reporting segments

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

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

In addition, during the third quarter consolidated accounting period, partial stocks of Fullcast Marketing Co., Ltd., which was a consolidated subsidiary included in the sales support business segment, were assigned to a third party, and the company also allocated new stocks to a third party. As a result, Fullcast Marketing Co., Ltd. became an equity method affiliate, and Telecom Marketing Co., Ltd., East Communication Inc. and EKO-SYSTEM Inc., which are subsidiaries of Fullcast Marketing Co., Ltd., were eliminated from the consolidation scope.

All stocks of Fullcast Technology Co., Ltd.(currently YUME TECHNOLOGY CO., LTD.) were assigned to a third party, so it was eliminated from the consolidation scope, and we withdrew from the technician dispatch business.

2. Information concerning the calculation of the amount of sales, profits and losses, assets, liabilities and other items for each reporting segment

The accounting methods for each segment reported are almost the same as described in the “Significant Accounting Policies in the Preparation of the Consolidated Financial Statements.”

Income of each reporting segment is an amount based on its operating income.

3. 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, 2009 – September 30, 2010)

Information in this item is omitted as information has been disclosed that is similar to that complies with “Accounting Standards for Disclosure of Segment Information” (Corporate Accounting Standards vol. 17, Mach 27, 2009) and “Application Guideline for Accounting Standards for Disclosure of Segment Information” (Corporate Accounting Standards Application Guideline vol. 20, March 21, 2008) as the segment information in the consolidated financial statements based on the traditional treatment of segment information.

Current consolidated fiscal year (October 1, 2010 – September 30, 2011)

(Million yen)

	Reporting segment				Total	Elimination or company total	Consolidated
	Short term operational support business	Sales support business	Technician dispatch business	Security business			
Net sales							
(1) Sales to external customers	26,870	2,001	3,195	2,250	34,316	—	34,316
(2) Inter-segment sales or transfers	3	39	13	2	56	-56	—
Total	26,873	2,039	3,208	2,252	34,372	-56	34,316
Segment income or loss (-)	1,880	-36	108	10	1,962	-422	1,539
Segment assets	6,074	—	—	496	6,570	2,177	8,747
Other							
Depreciation and amortization	158	18	17	2	194	34	228
Impairment loss	—	18	—	—	18	—	18
Increase of property, plant and equipment and tangible assets	336	21	12	5	373	44	417

Notes 1: The amount of -422 million yen for adjusting the profit of the segments includes the amount of 68 million yen for eliminating the inter-segment transactions and the expenses of the whole company of -491 million yen that are not allocated to each reported segment. The expenses of the whole company are primarily made up of the general administrative expenses not belonging to the reported segments.

2: The profit or loss (-) of the segments has been adjusted with the operating income shown in the consolidated profit and loss statement.

3: The amount of 2,177 million yen for adjusting the segment-based assets is primarily made up of the loans to affiliated companies, the long-term investment assets (investment securities), the assets involved in the administrative departments and so on at the head office of the parent company.

4: Significant Fluctuations in Amounts of Segment-Based Assets

(1) Because of the transfer of some of the shares of our consolidated subsidiary Fullcast Marketing Co., Ltd. to third parties, and the implementation of the capital increase through the allocation of new shares thereof to third parties during the third quarter of the consolidated fiscal term, Fullcast Marketing Co., Ltd. has become an affiliated company subject to the equity method. In addition, its subsidiaries Telecom Marketing Co., Ltd., East Communication Inc. and EKO-SYSTEM Inc. have been excluded from the scope of the consolidation. As a result, the amount of the assets of the Operation Supporting Business has decreased by 1,482 million yen when compared to the previous consolidated fiscal year.

(2) Since all shares of Fullcast Technology Co., Ltd. (currently YUME TECHNOLOGY CO., LTD.) held by us have been transferred to a third party during the third quarter of the consolidated fiscal term, it has been excluded from the scope of the consolidation and withdrawn from the Engineers Dispatching Business. As a result, the amount of the assets of the Engineers Dispatching Business has decreased by 2,268 million yen when compared to the previous consolidated fiscal year.

5: The amount of 34 million yen for adjusting the depreciation expenses is primarily made up of the depreciation amounts for the buildings, structures and software of the head office of the company.

6: The amount of 44 million yen for adjusting the increased amount of the tangible fixed assets and intangible fixed assets is primarily made up of those for the buildings, structures and software of the head office of the company.

Related information

Consolidated accounting period for the current fiscal year (From October 1, 2010 To September 30, 2011)

1. Information about each product or service

Information in this item is omitted as similar information is disclosed in the Segment information.

2. Information for each region

Information in this item is omitted as we did not have any consolidated subsidiaries or foreign offices located in any foreign countries or regions outside of Japan.

3. Information for each major customer

The information in this item is omitted as there is no outside customer representing 10.0% or more of the net sales in the consolidated profit and loss statement.

Information concerning impairment loss on noncurrent assets for each reporting segment

Current consolidated fiscal year (October 1, 2010 – September 30, 2011)

Information in this item is omitted as similar information is disclosed in the Segment information.

Information concerning the amount of amortization of goodwill and unamortized balance for each reporting segment

Current consolidated fiscal year (October 1, 2010 – September 30, 2011)

There are no relevant matters.

Information concerning gain on negative goodwill for each reporting segment

Current consolidated fiscal year (October 1, 2010 – September 30, 2011)

There are no relevant matters.

(Additional Information)

As of the current consolidated fiscal year, we are applying “Accounting Standards for Disclosure of Segment Information” (Corporate Accounting Standards vol. 17, Mach 27, 2009) and “Application Guideline for Accounting Standards for Disclosure of Segment Information” (Corporate Accounting Standards Application Guideline vol. 20, March 21, 2008).

(Per share information)

Consolidated accounting period for the previous fiscal year (From October 1, 2009 To September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 To September 30, 2011)
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.	Shareholders' equity per share 10,215.24 yen Net income per share 5,567.70 yen Diluted net income per share for the fiscal year is not reported since there is no outstanding potential stock.

Note: 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, 2009 to September 30, 2010)	Consolidated accounting period for the current fiscal year (From October 1, 2010 to September 30, 2011)
Net income (million yen)	541	2,143
Net income [basic] (million yen)	541	2,143
Net income not available to common stock (million yen)	—	—
Average number of common stock outstanding during the period (shares)	384,864	384,864

(Subsequent events)

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

There are no relevant matters.

Current consolidated fiscal year (October 1, 2010 – September 30, 2011)

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, 2010)	End of accounting period for the current fiscal year (September 30, 2011)
ASSETS		
Current assets		
Cash and deposits	1,941	1,405
Prepaid expenses	※2 10	14
Short-term loans receivable from subsidiaries and affiliates	372	100
Current portion of long-term loans payable from subsidiaries and affiliates	60	120
Accounts receivable-other	※2 103	※2 81
Income taxes receivable	28	66
Other	※2 10	※2 7
Allowance for doubtful accounts	-4	-3
Total current assets	2,520	1,791
Noncurrent assets		
Property, plant and equipment		
Buildings	42	78
Accumulated depreciation	-3	-19
Buildings, net	39	59
Tools, furniture and fixtures	26	43
Accumulated depreciation	-6	-16
Tools, furniture and fixtures, net	19	27
Total property, plant and equipment	59	85
Intangible assets		
Telephone subscription right	0	—
Software	31	21
Other	4	4
Total intangible assets	36	25
Investments and other assets		
Investment securities	205	202
Stocks of subsidiaries and affiliates	※1 2,592	※1 1,569
Long-term loans receivable from subsidiaries and affiliates	75	225
Investments in capital	0	0
Guarantee deposits	※2 45	42
Insurance funds	9	15
Membership	2	—
Claims provable in bankruptcy, claims provable in rehabilitation and other	—	2
Other	50	—
Allowance for doubtful accounts	—	-2
Total investments and other assets	2,977	2,053
Total noncurrent assets	3,072	2,163
Total assets	5,592	3,953

(Million yen)

	End of accounting period for the previous fiscal year (September30, 2010)	End of accounting period for the current fiscal year (September 30, 2011)
LIABILITIES		
Current liabilities		
Short-term loans payable	※1 3,011	※1 1,781
Short-term loans payable to subsidiaries and affiliates	0	—
Current portion of long-term loans payable	1,680	670
Accounts payable-other	※3 67	※3 49
Accrued expenses	11	10
Income taxes payable	1	8
Accrued consumption taxes	9	14
Deferred tax liabilities	0	—
Deposits received	2	2
Unearned revenue	※3 2	※3 5
Total current liabilities	4,783	2,538
Noncurrent liabilities		
Long-term loans payable	670	—
Long-term guarantee deposited	※3 37	※3 37
Deferred tax liabilities	2	6
Asset retirement obligations	—	20
Total noncurrent liabilities	709	63
Total liabilities	5,492	2,601
Net assets		
Shareholders' equity		
Capital stock	2,780	2,780
Capital surplus		
Other capital surplus	7	7
Total capital surpluses	7	7
Retained earnings		
Other retained earnings		
Retained earnings brought forward	57	1,308
Total retained earnings	57	1,308
Treasury stock	-2,747	-2,747
Total shareholders' equity	98	1,349
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2	4
Total valuation and translation adjustments	2	4
Total net assets	100	1,352
Total liabilities and net assets	5,592	3,953

(2) Profit and Loss Statement

(Million yen)

	End of accounting period for the previous fiscal year (From October 1, 2009 to September30, 2010)	End of accounting period for the current fiscal year (From October 1, 2010 to September30, 2011)
Operating revenue		
Consulting fee income	※1 873	※1 899
Dividends from subsidiaries and affiliates	131	322
Total operating revenue	1,004	1,221
Operating expenses		
Directors' compensations	105	100
Salaries and bonuses	146	139
Commission fee	77	76
Consulting expenses	54	38
Depreciation	12	15
Other	68	73
Total operating expenses	462	440
Operating income	542	781
Non-operating income		
Interest income	※1 14	6
Dividends income	11	9
Real estate rent	※1 21	※1 61
Rent income on facilities	—	※1 14
Other	10	17
Total non-operating income	57	106
Non-operating expenses		
Interest expenses	109	70
Depreciation	5	22
Rent cost of real estate	21	61
Other	12	4
Total non-operating expenses	147	156
Ordinary income	452	731
Extraordinary income		
Gain on sales of investment securities	7	22
Gain on sales of subsidiaries and affiliates' stocks	175	993
Reversal of allowance for doubtful accounts	4	0
Total extraordinary income	186	1,015
Extraordinary loss		
Loss on retirement of noncurrent assets	※2 0	※2 5
Loss on valuation of investment securities	543	—
Loss on valuation of stocks of subsidiaries and affiliates	21	483
Loss on insurance cancellation	3	—
Head office transfer cost	※3 13	※3 —
Other	※4 —	※4 3
Total extraordinary losses	579	491

(Million yen)

	End of accounting period for the previous fiscal year (From October 1, 2009 to September30, 2010)	End of accounting period for the current fiscal year (From October 1, 2010 to September30, 2011)
Income before income taxes	58	1,255
Income taxes-current	1	1
Income taxes-deferred	0	4
Total income taxes	1	5
Net income	57	1,251

(3) Statements of Shareholders' Equity

(Million yen)

	End of accounting period for the previous fiscal year (From October 1, 2009 to September30, 2010)	End of accounting period for the current fiscal year (From October 1, 2010 to September30, 2011)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,741	2,780
Changes of items during the period		
Capital reduction	-961	—
Total changes of items during the period	-961	—
Balance at the end of current period	2,780	2,780
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	1,177	—
Changes of items during the period		
Transfer to other capital surplus from legal capital surplus	-1,177	—
Total changes of items during the period	-1,177	—
Balance at the end of current period	—	—
Other capital surplus		
Balance at the end of previous period	—	7
Changes of items during the period		
Capital reduction	961	—
Transfer to other capital surplus from legal capital	1,177	—
Deficit disposition	-2,130	—
Total changes of items during the period	7	—
Balance at the end of current period	7	7
Total capital surplus		
Balance at the end of previous period	1,177	7
Changes of items during the period		
Capital reduction	961	—
Deficit disposition	-2,130	—
Total changes of items during the period	-1,169	—
Balance at the end of current period	7	7
Retained earnings		
Other retained earnings		
Retained earnings brought forward		
Balance at the end of previous period	-2,130	57
Changes of items during the period		
Deficit disposition	2,130	—
Net income	57	1,251
Total changes of items during the period	2,187	1,251
Balance at the end of current period	57	1,308
Total retained earnings		
Balance at the end of previous period	-2,130	57
Changes of items during the period		
Deficit disposition	2,130	—
Net income	57	1,251
Total changes of items during the period	2,187	1,251
Balance at the end of current period	57	1,308

(Million yen)

	End of accounting period for the previous fiscal year (From October 1, 2009 to September30, 2010)	End of accounting period for the current fiscal year (From October 1, 2010 to September30, 2011)
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	41	98
Changes of items during the period		
Capital reduction	—	—
Deficit disposition	—	—
Net income	57	1,251
Total changes of items during the period	57	1,251
Balance at the end of current period	98	1,349
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	11	2
Changes of items during the period		
Net changes of items other than shareholders' equity	-9	1
Total changes of items during the period	-9	1
Balance at the end of current period	2	4
Total valuation and translation adjustments		
Balance at the end of previous period	11	2
Changes of items during the period		
Net changes of items other than shareholders' equity	-9	1
Total changes of items during the period	-9	1
Balance at the end of current period	2	4
Total net assets		
Balance at the end of previous period	52	100
Changes of items during the period		
Net income	57	1,251
Net changes of items other than shareholders' equity	-9	1
Total changes of items during the period	48	1,252
Balance at the end of current period	100	1,352

(4) Concerning notes about going concern assumption

There are no relevant matters.

(5) Notes on Non-consolidated Financial Statements

(Notes on balance sheet)

(Million yen)

As of September 30, 2010	As of September 30, 2011
*1. Secured assets and secured obligations Assets pledged as collateral and collateralized liabilities Stocks of subsidiaries and affiliates 534 million yen Collateralized liabilities are as follows: Short-term loans payable 3,011 million yen	*1. ———
*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.	*2. The liabilities extended of affiliated companies outside the scope of our itemization are 88 million yen, and exceed 1% of the total of our assets.
*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.	*3. The liabilities extended of affiliated companies outside the scope of our itemization are 57 million yen, and exceeds 1% of the total of our assets.
*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 —	*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 824 million yen Borrowing 661 Balance 163 million yen

(Notes on profit and loss statement)

(Million yen)

Fiscal year ended September 2010 (October 1, 2009 to September 30, 2010)		Fiscal year ended September 2011 (October 1, 2010 to September 30, 2011)	
*1. Various items which fall outside the scope of our itemized accounts are as follows.		*1. Various items which fall outside the scope of our itemized accounts are as follows.	
Management guidance fees	873	Management guidance fees	899
Interest received	13	Interest received	61
Real estate rent fees	21	Real estate rent fees	14
*2. Significant components of loss on disposal of noncurrent assets		*2. Significant components of loss on disposal of noncurrent assets	
Buildings	0	Buildings	5
Furniture and fixtures	0	Furniture and fixtures	0
Total	0	Total	5
*3. The headquarter relocation expense was due primarily to the move of our headquarters, and includes refurbishment expenses and losses on liquidation of noncurrent assets.		*3. ―――――	
*4. ―――――		*4. Significant components of loss on disposal of noncurrent assets	
		Furniture and fixtures	0
5. Amount of depreciation		5. Amount of depreciation	
Property, plant and equipment	7	Property, plant and equipment	29
Intangible assets	11	Intangible assets	11

(Notes on statement of changes shareholders' equity)

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

Fiscal year ended September 2011 (October 1, 2010 to September 30, 2011)

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 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 and after 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.

Fiscal year ended September 2011 (As of September 30, 2011)
Subsidiary stocks and affiliate stocks (Million yen)

Category	Carrying value	Market quotation	Unrealized gain/loss
(1) Subsidiary stocks	—	—	—
(2) Affiliate stocks	—	—	—
Total	—	—	—

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	1,552
(2) Affiliate stocks	27
Total	1,569

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