Securities Report
for the Fiscal Year
Ended September 30, 2010

(The English Translation of the
“Yukashoken-Houkokusho”
for the Fiscal Year Eended September 30, 2010)

Fullcast Holdings Co., Ltd.

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[Form Submitted]	Securities Report
[Legal Basis]	Paragraph 1 of Article 24 of the Financial Instruments and Exchange Act
[Submitted To]	Director of the Kanto Local Finance Bureau
[Date Submitted]	December 24, 2010
[Business Year]	18th (October 1, 2009 to September 30, 2010)
[Company Name]	Fullcast Holdings Co., Ltd.
[Representative Name and Position]	Hiroyuki Tokiwa, Director and President
[Head Office Address]	8-9-5 Nishi Gotanda, Shinagawa-ku, Tokyo (On Dec. 22, 2010, the head office was relocated to above from 1-32-12, Higashi, Shibuya-ku, Tokyo.)
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[Business Contact]	Jo Okada, Managing Director and CFO
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[Phone Number]	03-4530-4831
[Business Contact]	Jo Okada, Managing Director and CFO
[Location to Submit to Inspection]	Tokyo Stock Exchange Group, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Section 1 Corporate Information

Part 1 Corporate Overview

1. Trends in Key Performance Indicators

Item		Term 14	Term 15	Term 16	Term 17	Term 18
Date of settlement		Sep 2006	Sep 2007	Sep 2008	Sep 2009	Sep 2010
(1) Consolidated performance indicators						
Net sales	(millions of yen)	90,163	108,301	98,989	57,293	36,084
Ordinary income (loss)	(millions of yen)	4,550	1,811	1,530	(925)	1,223
Net income (loss)	(millions of yen)	2,942	(674)	(2,443)	(6,870)	541
Net assets	(millions of yen)	17,278	13,642	10,969	1,742	2,491
Total assets	(millions of yen)	37,180	41,624	36,697	13,072	11,479
Net asset per share	(yen)	52,835.11	38,839.30	28,591.84	3,357.40	4,683.27
Net income (loss) per share	(yen)	10,757.95	(2,536.40)	(9,222.68)	(21,288.47)	1,405.10
Diluted net income per share	(yen)	10,736.22	-----	-----	-----	-----
Equity ratio	(%)	38.9	24.7	20.6	9.9	15.7
ROE	(%)	21.9	(5.5)	(27.4)	(155.0)	34.9
Price-earnings ratio	(multiples)	33.5	-----	-----	-----	2.9
Net cash provided by (used in) operating activities	(millions of yen)	2,567	1,546	(1,621)	1,401	1,951
Net cash provided by (used in) investing activities	(millions of yen)	(3,548)	(1,718)	(867)	1,573	(348)
Net cash provided by (used in) financing activities	(millions of yen)	6,719	1,009	(399)	(7,937)	(1,651)
Cash and cash equivalents at the end of period	(millions of yen)	11,906	12,764	9,878	4,914	4,867
Number of employees (Other, average number of temporary workers)		3,304 (2,236)	4,131 (3,089)	4,293 (2,052)	1,937 (704)	1,532 (645)
(2) Performance indicators for submitting companies						
Net sales or operating income	(millions of yen)	45,064	44,429	30,820	2,191	1,004
Ordinary income	(millions of yen)	2,859	242	2,100	1,430	452
Net income (loss)	(millions of yen)	1,610	(994)	(1,470)	(2,002)	57
Capital stock	(millions of yen)	3,464	3,464	3,464	3,741	2,780
Shares issued	(shares)	275,964	275,964	275,964	395,964	395,964
Net assets	(millions of yen)	11,937	7,464	5,728	52	100
Total assets	(millions of yen)	26,423	26,478	23,419	7,573	5,592
Net asset per share	(yen)	43,613.66	28,182.19	21,625.16	135.63	260.91
Dividend per share (Interim dividend per share)	(yen) (yen)	3,000 (1,500)	3,000 (2,000)	----- (-----)	----- (-----)	----- (-----)
Net income (loss) per share	(yen)	5,887.84	(3,737.32)	(5,549.55)	(6,204.45)	148.88
Diluted net income per share	(yen)	5,875.95	-----	-----	-----	-----
Shareholders' equity ratio	(%)	45.2	28.2	24.5	0.7	1.8
ROE	(%)	14.0	(10.2)	(22.3)	(69.3)	75.1
Price-earnings ratio	(multiples)	61.1	-----	-----	-----	27.6
Payout ratio	(%)	51.0	-----	-----	-----	-----
Number of employees (Other, average number of temporary workers)	(%)	631 (1,484)	695 (1,669)	664 (813)	17 (1)	25 (1)

Notes: 1 Net sales and operating income do not include consumption tax

2. For terms 15 and 16, diluted net income per share is not listed because there were no latent shares that would result in dilution. Diluted net income per share was also not listed for terms 17 and 18, because there were no latent shares.

3. Since term 15, we have applyied "Accounting Standards for Business Combinations" (Business Accounting Council, Oct 13, 2003), "Accounting Standards Concerning Business Separation" (ASBJ, Dec 27, 2005, Corporate Accounting Standards vol. 7) and "Application Guideline for Business Combination Accounting Standards and Business Separation Accounting Standards" (ASBJ, Dec 27, 2005, Corporate Accounting Standards Application Guideline vol. 10).

4. The significant fluctuations seen in performance indicators for group companies in term 17 resulted from the transition to a pure holding company, and the subsequent reallocation of businesses performed by each of our group companies on October 1, 2008.

2. Corporate History

Sep 1990	Established Resort World Co., Ltd. (current name: Fullcast Holdings Co., Ltd.) in Minato-ku, Tokyo
Sep 1992	Changed our corporate name to Fullcast Co., Ltd.
Oct 1992	Began short-term business contracting
Oct 1994	Moved our head office to Shibuya-ku, Tokyo
Jan 1995	Signed a franchise contract with Fullcast Osaka Co., Ltd., located in Chuo-ku, Osaka
Sep 1995	Established Seiwa Service Co., Ltd. in Shinjuku-ku, Tokyo
Jan 1996	Established Entry Co., Ltd. in Kodaira-shi, Tokyo
Oct 1997	Established Fullcast Lady Co., Ltd. (current name: Fullcast Co., Ltd. (now a consolidated subsidiary); reorganized into a joint-stock company in Oct 1999)
May 1998	Changed the name of Kanagawa School Entrance Research Association Co., Ltd. (established July 1988, current name: Fullcast Technology, now a consolidated subsidiary) to Fullcast With Co., Ltd.
Oct 1998	Fullcast With Co., Ltd. approved to conduct general worker dispatching
Jan 1999	Newly established a factory business section, and began factory-line contracting business Fullcast Lady Co., Ltd. approved to conduct general worker dispatching
Apr 1999	Fullcast With Co., Ltd. approved to engage in employment placement business
June 1999	Merged with Fullcast Osaka Co., Ltd., Entry Co., Ltd., Dual Support Co., Ltd. (formerly Seiwa Service Co., Ltd.)
Nov 1999	Established Fullcast System Consulting Co., Ltd.
Mar 2000	Established Fullcast HR Consulting Co., Ltd., and commenced business after acquiring Fullcast With Co., Ltd.'s personnel consulting department in April of the same year.
Sep 2000	Established Fullcast Factory Co., Ltd., and commenced business after acquiring the Factory department in October of the same year
June 2001	Listed shares on an over-the-counter market (current name: JASDAQ market (standard))
Apr 2002	Established Fullcast Central Co., Ltd. by merging with Central Motor Co., Ltd. and Daisho Industry Co., Ltd., and began our factory-line contracting business that catered specifically to the automobile industry
Oct 2002	Fullcast With Co., Ltd. and Fullcast System Consulting Co., Ltd. merged, and their name was changed to Fullcast Technology Co., Ltd. (now a consolidated subsidiary). Assumed part of Fullcast Lady Co., Ltd.'s business through an absorption-type split, Fullcast Lady Co., Ltd. specializing in office-type short-term business contracting and dispatching, and changed its name to Fullcast Office Support Co., Ltd. (current name: Fullcast Co., Ltd., now a consolidated subsidiary)
Jan 2003	Fullcast Office Support Co., Ltd. approved to engage in employment placement business. Fullcast HR Consulting Co., Ltd. merged with Fullcast Office Support Co., Ltd. (current name: Fullcast Co., Ltd., now a consolidated subsidiary)
Sep 2003	Listed shares on the Second Section of the Tokyo Stock Exchange
June 2004	Acquired 100% ownership of Apayours Co., Ltd. through stock swap
July 2004	Fullcast Technology Co., Ltd. approved to conduct general worker dispatching
Sep 2004	Moved to the First Section of the Tokyo Stock Exchange
Oct 2004	Established Fullcast Finance Co., Ltd.

Nov 2004 Approved to conduct general worker dispatching

Mar 2005 Acquired 100% ownership of Human Resources Research Institute Inc. (current name: Fullcast Co., Ltd., now a consolidated subsidiary) through transfer of shares

Acquired naming rights for Tohoku Rakuten Golden Eagles' home stadium, "Fullcast Stadium Miyagi" (in October 2007 we dissolved our contract, and declined use of the nickname)

Jun 2005 Established an American Depositary Receipt (ADR) Program

Oct 2005 Fullcast Office Support Co., Ltd. merged with Human Resources Research Institute Inc (the surviving company was Human Resources Institute of Research Co., Ltd.), and changed their name to Fullcast HR Institute Co., Ltd. (current name: Fullcast Co., Ltd., now a consolidated subsidiary)

Asia Pacific System Research Co., Ltd. became a subsidiary through a third party placement of stocks and stock acquisition

Fullcast Technology Co., Ltd. Listed on the Jasdaq Securities Exchange (Currently Osaka Securities Exchange JASDAQ, Standard)

May 2006 Acquired 100% ownership of Nihon Security Guard Co., Ltd. (current name: Fullcast Advance Co., Ltd., now a consolidated subsidiary) through transfer of shares

June 2006 Acquired 100% ownership of Exe Outsourcing Co., Ltd. (current name: Fullcast Marketing Co., Ltd., now a consolidated subsidiary) through transfer of shares

May 2007 Acquired 100% ownership of Info-P Co., Ltd. through stock swaps

June 2007 Acquired 100% ownership of Net It Works, Inc. through transfer of shares

July 2007 Transfered all shares held in Apayours Co., Ltd. to its founder

Oct 2008 Transitioned to a pure holding company system through new division of corporate functions, and changed our corporate name Fullcast Holdings Co., Ltd., all business relating to sales performed by Fullcast HR Institute Co., Ltd. (current name: Fullcast Co., Ltd., now a consolidated subsidiary)

Nov 2008 All shares held in Asia Pacific System Research Co., Ltd. transferred to Canon Electronics Inc. in a takeover bid

Mar 2009 Transferred all shares held in Info-P Co., Ltd.

May 2009 Transferred all shares held in Fullcast Finance Co., Ltd.

June 2009 Transferred all shares held in Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd.

Aug 2009 Transferred all shares held in Net It Works, Inc.

June 2010 Integrated head-office functions of the Company and all Group companies (excluding Fullcast Technology Co., Ltd., East Communication Inc. and EKO-SYSTEM Inc.)

3. Description of Business

Our Group is expanding its “short-term operational support business” (providing timely short-term personnel services with a special focus upon “blue collar” work in response to changes in the amount of work at corporate customers), the “sales support business” (operating the call center business and agent sales handling mainly communication products), the “technician dispatch business” (providing technical personnel services with a focus upon the design, development and manufacturing processes of the manufacturing industry), and the “security, other businesses” (providing security services mainly for public facilities and corporations). The following business segments are identical to the segments contained in segment information by type of business, listed in “Part 5 Financial Condition, 1 (1) Consolidated Financial Statements, Notes.” The Fullcast Group had traditionally classified its business into five different segments including the “spot business,” “factory business,” “technology business,” “office business” and “other business.” However due to business restructuring, we have withdrawn from our factory business, and as of this fiscal year we have decided to change the definitions of our business segments for each major service as listed below. Based on these changes, the administrative personnel services of Fullcast Co., Ltd.’s administrative personnel dispatch business, which had been included in “office business” during the fiscal year to September 2009, has been moved to “short-term operational support business.”

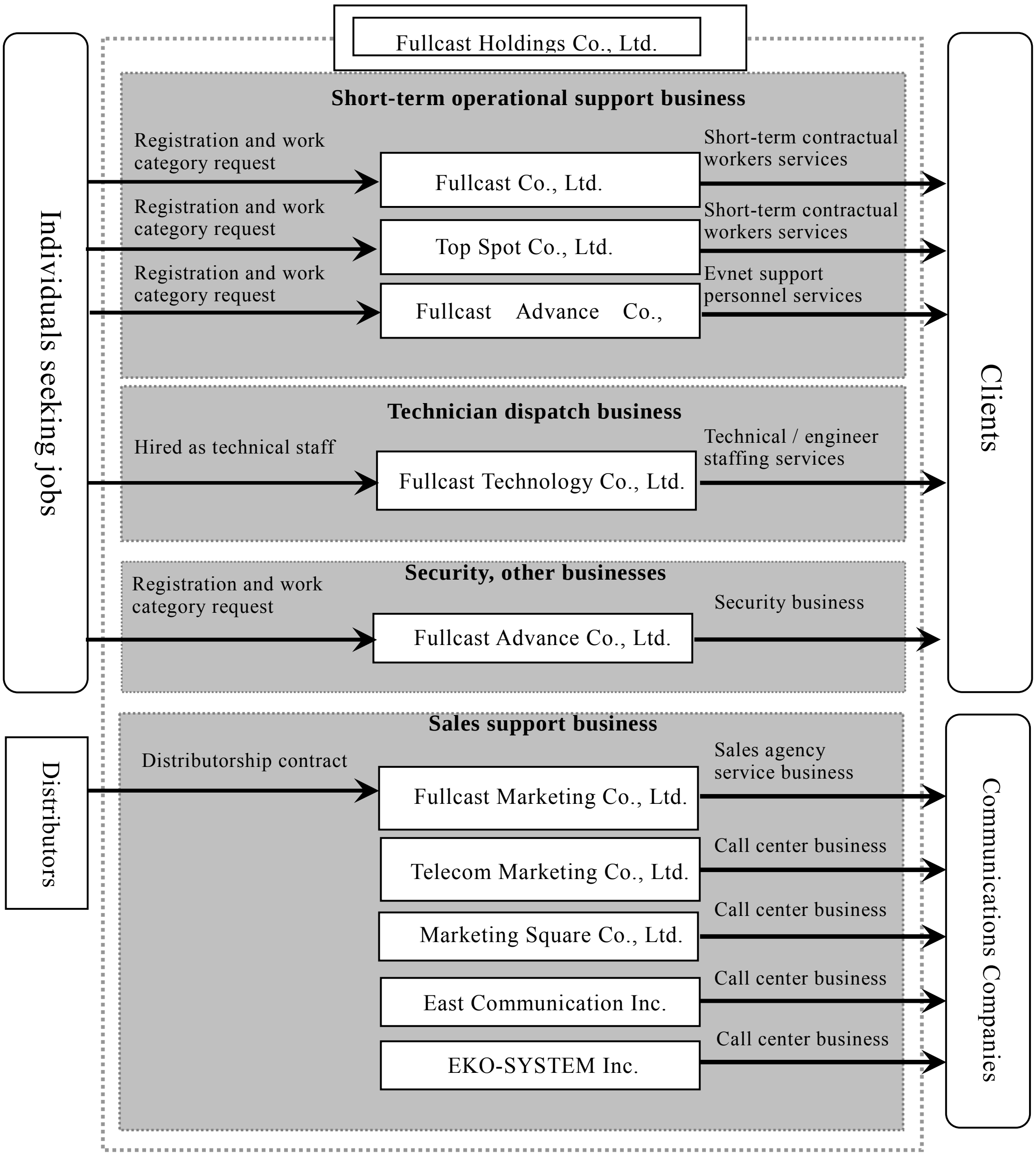
A. Short-term operational support business (short-term personnel service, event personnel service)
[Main companies] Fullcast Co., Ltd.
Top Spot Co., Ltd.
Fullcast Advance Co., Ltd.

B. Sales support business (sales representation work, call center work)
[Main companies] Fullcast Marketing Co., Ltd.
Telecom Marketing Co., Ltd.
Marketing Square Co., Ltd.
East Communication Inc.
EKO-SYSTEM Inc.

C. Technician dispatch business (technical personnel service)
[Main companies] Fullcast Technology Co., Ltd.

D. Security, other businesses
[Main companies] Fullcast Advance Co., Ltd.

A diagram of business activities is shown below:



Notes: 1. The above diagram is current as of September 30, 2010.

2. ▭ represents submitting companies, ▭ represents consolidated subsidiaries.

3. Marketing Square Co., Ltd. was merged into Telecom Marketing Co., Ltd. on October 1, 2010.

4. Status of Affiliate Companies

Company	Location	Capital (mil. yen)	Major business activities	Voting shares (%)	Issues to be noted
Fullcast Co., Ltd. (consolidated subsidiary) *3, 6	Shinagawa-ku, Tokyo	80	Short-term operational support business	100.00	- Subleases some of the Company's rental properties for use as offices. - Provides financial support (borrowing and lending operating capital) - Interlocking directorates: 3
Top Spot Co., Ltd. *3	Shinagawa-ku, Tokyo	80	Short-term operational support business	100.00	- Subleases some of the Company's rental properties for use as offices. - Provides financial support (lending operating capital) - Interlocking directorates: 2
Fullcast Advance Co., Ltd. *3, 6	Shinagawa-ku, Tokyo	80	Short-term operational support business Security, other business	100.00	- Subleases some of the Company's rental properties for use as offices. - Provides financial support (borrowing and lending operating capital) - Interlocking directorates: 2
Fullcast Technology Co., Ltd. *3, 4, 6	Shibuya-ku, Tokyo	864	Technician dispatch business	68.63	- Interlocking directorates: 3
Fullcast Marketing Co., Ltd. *3	Shinagawa-ku, Tokyo	293	Sales support business	54.39	- Subleases some of the Company's rental properties for use as offices. - Provides financial support (lending operating capital) - Interlocking directorates: 1
Telecom Marketing Co., Ltd. *5	Shinagawa-ku, Tokyo	90	Sales support business	65.00 (35.35)	- Interlocking directorates: 1
Marketing Square Co., Ltd. *5	Shinagawa-ku, Tokyo	29	Sales support business	100.00 (54.39)	-----
East Communication Inc. *3	Kita-ku, Sapporo city	90	Sales support business	51.00 (27.74)	- Interlocking directorates: 1
EKO-SYSTEM Inc. *3	Rumoi city, Hokkaido	90	Sales support business	51.00 (27.74)	- Interlocking directorates: 1
Other (1 company)	-----	-----	-----	-----	-----

Notes: 1. The "Major business activities" category follows the business segment classification.

2. The figure in the parenthesis for "Voting shares (%)" is the ratio of indirect ownership (included figure).

3. This is a specified subsidiary.

4. This is a company that submits securities reports.

5. Marketing Square Co., Ltd. was merged into Telecom Marketing Co., Ltd. on October 1, 2010.

6. For Fullcast Co., Ltd., Fullcast Technology Co., Ltd. and Fullcast Advance Co., Ltd., the proportion of consolidated net sales accounted for by net sales (excluding internal sales within our Group) exceeds 10%.

Key earnings information (Millions of yen)

	Fullcast Co., Ltd.	Fullcast Technology Co., Ltd.	Fullcast Advance Co., Ltd.
Net sales	19,696	4,290	3,815
Ordinary income	789	256	62
Net income	476	220	4
Net assets	2,693	1,424	378
Total assets	4,295	2,268	832

5. Number of Employees

(1) Status of consolidated companies

(As of September 30, 2010)

Name of segment by type of business	Number of employees
Short-term operational support business	424 [124]
Sales support business	235 [496]
Technician dispatch business	756 [2]
Security, other business	82 [19]
Company-wide (shared)	35 [4]
Total	1,532 [645]

Notes: 1: "Number of employees" excludes employees who have been transferred from the Group to companies outside the Group. These figures reflect the number of employees engaged in work, including workers who have been transferred to companies within the Group from companies outside the Group, and the number of temporary employees is listed within the parentheses. The numbers outside listed outside of the parenthesis reflect the average yearly number of employees.

2: The number of employees listed as "Company-wide (shared)" indicates the number of employees who belong to administrative departments that cannot be attributed to specific business segments.

3: The number of employees decreased by 405 during the current fiscal year. This was maily due to 110 increase in sales suppor business absorbing East Communication Inc. and EKO-SYSTEM Inc., which newly became our subsidiaries, as well as 484 decrease in technician dispatch business operated by Fullcast Technology Co., Ltd. followed by voluntary retirements, retirement recommendations and voluntary terminations.

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(2) Status of submitting companies

(As of September 30, 2010)

Number of employees	Average age (years old)	Average length of employment (years)	Average annual salary (thousands of yen)
25 [1]	36.3	5.7	7,369

Notes: 1 "Number of employees" is the number of employees engaged in work, and represents workers transferred from Fullcast Co., Ltd. Also, the number of temporary employees is listed within the parentheses, while the average yearly number of employees is listed outside the parenthesis.

2 “Average annual salary” includes bonuses and additional wages.

(3) Status of labor unions

No enterprise unions have been formed at the Company or Group. Regarding labor-management relations, there are no items worthy of special mention.

Part 2 State of Business

1. Performance Overview

(1) Performance

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

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

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

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

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

Results by business

Financial results by business segment are as follows. Figures for the previous fiscal year reflect segment information based on new business segments..

1) Short-term operational support business

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

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

2) Sales support business

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

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

3) Technician dispatch business

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

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

4) Security, other businesses

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

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

(2) Cash flows

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

(Cash flows from operating activities)

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

(Cash flows from investing activities)

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

(Cash flows from financing activities)

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

2. State of Production, Orders Received and Sales

In the current fiscal year, we made changes to our business segments categories. Therefore last year’s business segments have been revised to reflect the new categories for the year-on-year comparisons.

(1) Results in production and orders received

The company Group does not typically perform production activities, and due to the reasons outlined below, we cannot display the scope of orders received as a monetary amount.

1) In our short-term operational support business, the period from when the orders are received to when sales are booked is extremely short.

2) Because our sales support business mainly sells communication products, the period from when orders are received to when sales are booked is short. Also regarding operations of our call center, the rate of cancellations varies during the period between orders to actual booking of sales.

3) In our technician dispatch business, changes the amount of work requested by clients is often revised after on orders are placed.

(2) Sales performance

Name of segment by type of business	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010) (millions of yen)	Year-on-year comparison (%)
Short-term operational support business	22,737	(4.8)
Sales support business	6,845	(14.2)
Technician dispatch business	4,280	(69.6)
Security, other businesses	2,221	(52.7)
Total	36,084	(37.0)

Notes: 1. Consumption tax is not included in the amounts listed above.

2. Elimination is performed for intersegment transactions.

3. Issues to be Addressed

Based on the "New Three-year Plan" announced on May 8, 2009, the Fullcast Group performed restructuring focused upon personnel reductions and consolidation of offices during the initial year of September 2009. In the current fiscal year, the second year of the plan, we conducted our business with the aim of restoring profitability. In the final year ending September 2011, we will endeavor to transform our business model within our short-term operational support business in consideration of reforms that are expected to be made to the Worker Dispatching Law, as well as to achieve increases in both sales and profits by further strengthening our business foundation. At the same time, we will continue to place top priority upon improving its compliance activities and restoring the trust of all our stakeholders.

We will address the following issues in each business segment.

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

4. Risks Associated With Businesses

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

(1) The Group's policy for business growth

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

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

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

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

(2) Legal regulations

a) Changes in legal regulations

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

In the future, there is the possibility that amendment to the Worker dispatching law could be approved by the Cabinet and passed by the Diet. If passed, the revised law would fundamentally prohibit registered worker dispatch excluding highly specialized work and worker dispatch with an employment period of 2 months or less. Going forward we will endeavor to create a business model that appropriately responds to the bill of the law, and will gradually shift our business to a model based on "short term worker introduction" and "short term outsourcing for 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 based on the Worker dispatching law. If the Group should be subject to disqualification, our license could be cancelled, or orders to suspend or halt our operations could be issued.

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

c) Onsite subcontracting service

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

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

d) Sharing of social insurance contributions

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

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

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

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

(3) Managing the database on client companies and staff

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

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

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

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

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

(4) Workplace accidents and transaction-related trouble

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

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

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

(5) Securing and retaining employees

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

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

5. Contracts of Vital Importance to Management

(1) Partial transfer contract for shares in subsidiaries

At the board of directors meeting held on December 29, 2009, the Company decided to sell some shares in Fullcast Marketing Co., Ltd. to Hikari Tsushin, Inc., and signed a stock purchase agreement on the same date. The stock sale was completed on January 1, 2010.

(2) Share acquisitions by subsidiaries

At the board of directors meeting held on December 29, 2009, the Company decided that Fullcast Marketing Co., Ltd., a consolidated subsidiary, should acquire shares in East Communication Inc. and EKO-SYSTEM Inc. through Hikari Tsushin Inc.'s Hello Communications Inc. At the same time the board of directors meeting also gave their approval to make it into a consolidated subsidiary of the Company. Fullcast Marketing Co., Ltd. signed a stock purchase agreement on the same date, and completed stock sale on January 1, 2010.

6. Research and Development Activities

There are no applicable items.

7. Analysis of Financial Position, Operating Results and Cash Flow Status

(1) Financial position

1) Cash flow

Analysis of major details is as outlined in "Part 2, State of Business, 1. Performance Overview, (2) Cash Flow."

2) Liquidity

Current assets at the end of the current fiscal year declined by 420 million yen to 9,737 million yen from the end of the previous fiscal year. Among contributing factors contributing to this decline were falls in merchandise of 111 million yen to 23 million yen and in other current assets decreased of 669 million yen to 408 million yen arising from the effects of a decrease in accrued revenue. Factors that helped to somewhat offset this decline were increases in cash and deposits, in notes and accounts receivable-trade, and in deferred tax assets of 103 million yen to 5,017 million yen, 71 million yen to 4,112 million yen, and 172 million yen to 186 million yen respectively.

Current liabilities declined by 634 million yen from the end of the previous fiscal year, to 7,798 million yen. Among factors contributing to this decline were reductions in current portion of long-term loans payable of 282 million yen to 1,730 million yen due to scheduled repayments and accounts payable-other of 191 million yen to 1,647 million yen due to the effects of a decrease in consumption tax payables.

As a result of the above factors, operating capital (current assets - current liabilities) increased by 214 million yen from the end of the previous fiscal year to 1,939 million yen, and the current ratio (current assets ÷ current liabilities×100) increased to 124.9% from 120.5% at the end of the previous fiscal year.

3) Capital expenditures

Capital investments in the current fiscal year decreased by 72 million yen year-on-year to 128 million yen. The major components of our investments included purchases of software by subsidiaries of 23 million yen, and purchases of property, plant and equipment arising from the move our head office of 104 million yen.

We do not have any concrete plans for capital investments during the fiscal year to September 2011 at this point in time.

4) Interest-bearing debt

The total value of interest-bearing debt at the end of the current fiscal year was 5,411 million yen, representing a decrease of 2,012 million yen from the end of the previous fiscal year. Scheduled debt repayments contributed to a 2,012 million yen decline in long-term loans payable (including current portion of long-term loans payable).

5) Net assets

Net assets at the end of the current year stood at 2,491 million yen, representing a 767 million yen increase from the end of the previous fiscal year. This increase can be attributed to realization of 541 million yen in net income and the fact that minority interests increased by 256 million yen due to acquisition of subsidiaries.

Based on decisions made at the annual general meeting of shareholders held on December 22, 2009, we reduced our capital in line with our deficit proposition, with an effective date of January 21, 2010.

Consequently, capital stock and capital surplus decreased by 961 million yen and 1,169 million yen, respectively, while retained earnings increased by 2,130 million yen. These had no effects on fluctuations in the value of net assets.

As a result of these events, our debt equity ratio (interest-bearing debt ÷ equity capital (note) × 100) decreased from 574.4% at the end of the previous fiscal year to 300.2% and equity ratio (interest-bearing debt ÷ equity × 100) increased from 9.9% at the end of the previous fiscal year, to 15.7%.

(Note)Equity capital = total of the net assets section - minority interest

6) Basic policy concerning profit allocation

We recognize the return of profits to shareholders as a key management issue in establishing a solid long term shareholder base.

Dividends are determined after consideration of performance trends, profit growth and investment plans, and our basic policy is to pay dividends twice yearly as interim and year-end dividends. The payment of interim dividends is stipulated in our articles of incorporation, and both interim and year-end dividend payments are determined during our board of directors' meeting.

Because our Company does not currently have the reserves necessary to distribute dividends, we will refrain from paying interim and year-end dividends for the current term (Fiscal year September 2010) and expect to also refrain from paying dividends in the following term (Fiscal year September 2011). We aim to resume dividend payments as soon as possible, while also striving to stabilize management and actively explanding our business.

(2) Operating results

1) Net sales

Net sales decreased by 21,209 million yen (37.0%) from the end of the previous fiscal year, to 36,084 million yen. By business segment, we explain our results below.

Financial results business segments as follows. Figures for previous fiscal year reflect segment information on accordance with new business segments.

● Short-term operational support business

Due to the continued stagnant demand for temporary staffing and revisions in the scale of our operations resulting from restructuring, net sales for our short-term operational support business fell by 4.8% year-over-year to 22,737 million yen.

● Sales support business

Both East Communication Inc. and EKO-SYSTEM Inc. were turned into consolidated subsidiaries and we endeavored to strengthen our call center business, but poor sales of main products in our direct-sales and agency-sales business and the effects of withdrawl from our direct-sales and cell phone shop businesses in the third quarter caused net sales to fall by 14.2% year-over-year to 6,845 million yen.

● Technician dispatch business

Because of a year-on-year decline in dispatch technician staff resulting from a revision to the scale of operations at Fullcast Technology Co., Ltd., and due to the sale of subsidiaries and business restructuring in the previous fiscal year, net sales for our technician dispatch business fell by 69.6% year-on-year to 4,280 million yen.

- Security, other business

Due to the effects of selling subsidiaries in the previous fiscal year, net sales for our security, other business totaled 2,221 million yen (down 52.7% year-on-year).

2) Operating expenses and losses

Cost of sales decreased by 17,180 million yen (38.6%) from the end of the previous year to 27,273 million yen, and our cost of sales ratio decreased by 2.0% points, from 77.6% at the end of the previous fiscal year to 75.6%. Selling, general and administrative expenses decreased by 6,042 million yen (44.7%) from the end of the previous fiscal year to 7,479 million yen, and the ratio of SG&A to sales decreased by 2.9% points, from 23.6% at the end of the previous fiscal year to 20.7%. Consequently, operating income increased by 2,013 million yen from the end of the previous fiscal year to 1,331 million yen (Compared with an operating loss of 682 million yen for the same term last year.). Business segment, we explain our result below.

- Short-term operational support business

In light of the severe economic environment we implemented measures to improve productivity through personnel reductions, to control selling, general and administrative expenses by eliminating and consolidating offices, and to strengthen management, and we recorded operating income of 1,583 million yen (Compared with an operating loss of 408 million yen for the same term last year.).

- Sales support business

Although we implemented measures to reduce selling, general and administrative expenses, by moving our headquarters and consolidating other offices from the third quarter of the current fiscal year, these measures were not able to overcome declines in revenues and we realized an operating loss of 165 million yen (Compared with an operating loss of 1 million yen for the same term last year.).

- Technician dispatch business

While some effects from restructuring, such as reductions resulting from consolidation of company housing, were realized, the decline in income derived from the sale of subsidiaries in the previous fiscal year could not be offset and we recorded 61.6% year-over-year decline in operating income to 263 million yen.

- Security, other business

Despite a significant year-on-year decrease in earnings, measures to control selling, general and administrative expenses due to restructuring activities including personnel reductions, allowed us to maintain profits, and operating income totaled 77 million yen (a 22.2% increase compared to the previous fiscal year).

3) Non-operating income and ordinary income

Non-operating income improved from a 243 million yen (net) expense from the previous fiscal year to a 108 million yen (net) expense. A decline in nterest expenses of 104 million yen resulting from reductions in interest-bearing debt contributed to this improvement. Ordinary income increased by 2,148 million yen year-on-year to 1,223 million yen (Compared with an ordinary loss of 925 million yen for the same term last year.).

4) Extraordinary income and loss, and income before income taxes and minority interests

Extraordinary income improved from a 5,465 million yen (net) expense for the previous fiscal year, to a 703 million yen (net) expense. In total, we recorded 782 million yen in extraordinary income, including 359 million yen in gain on change in equity, 185 million yen in gain on sales of subsidiaries and affiliates' stocks, and 181 million yen in government subsidies received. We recorded an extraordinary loss of 1,485 million yen, including 543 million yen in losses on valuation of investment securities, 343 million yen in expenses for business structure improvement, 200 million yen in allowance for employee restructuring, and 150 million yen in headquarter moving costs. As a result, income before income taxes and minority interests totaled 520 million yen (Compared with a loss of 6,390 million yen for the same term last year.).

5) Income tax and minority interests

Because deferred tax assets were recorded at subsidiaries, income tax after tax-effect accounting decreased by 823 million yen year-on-year, to a negative 80 million yen. Also minority interests totaled 59 million yen (Compared with a 263 million yen loss for the same term last year.).

6) Net income

Consequently, net income for the current fiscal year totaled 541 million yen (Compared with a net loss of 6,870 million yen for the same term last year.), and net income per share was 1,405.10 yen (Compared with a net loss of 21,288.47 yen per share for the same term last year.).

(3) Funding requirements and fund procurement

Our Group strives to secure diverse financing methods, while adhering to our basic financial policy of maintaining suitable levels of liquidity and a sound financial position needed to stably conduct our business.

Fullcast Marketing Co., Ltd., a consolidated subsidiary of the Fullcast Group, issued new shares through a third-party allocation on July 20, 2010, and thereby procured 425 million yen. Details on repayments for interest-bearing debt are contained in “Part 2, State of Business, 7. Analysis of Financial Position, Operating Results and Cash Flow Status (1) Financial Position, 4) Interest-Bearing Debt.”

Part 3 State of Equipment

1. Overview of Capital Investment

There has been no major capital investment in the current fiscal year.

Furthermore, no major equipment has been retired or sold in the current fiscal year.

2. State of Major Equipment

(1) Submitting companies

(As of Sep 30, 2010)

Company name	Name of business office (Location)	Name of segment by type of business	Nature of equipment	Book-value (millions of yen)				No. of employees
				Buildings and structures	Machinery, equipment and tools	Other	Total	
Fullcast Holdings Co., Ltd.	Head office (Shibuya-ku, Tokyo)	Company-wide (shared)	Business office	39	19	31	90	25 [1]

(2) Domestic subsidiaries

(As of Sep 30, 2010)

Company name	Name of business office (Location)	Name of segment by type of business	Nature of equipment	Book-value (millions of yen)				No. of employees
				Buildings and structures	Machinery, equipment and Tools	Other	Total	
Fullcast Co., Ltd.	Head office (Shinagawa-ku, Tokyo)	Short-term operational support business	Business office, operating equipment	2	36	137	175	367 [84]
Top Spot Co., Ltd.	Head office (Shinagawa-ku, Tokyo)	Short-term operational support business	Business office, operating equipment	-----	2	-----	2	20 [28]
Fullcast Advance Co., Ltd.	Head office (Shinagawa-ku, Tokyo)	Short-term operational support business, security, other business	Business office, operating equipment	1	7	0	8	119 [31]
Fullcast Marketing Co., Ltd.	Head office (Shinagawa-ku, Tokyo)	Sales support business	Business office, operating equipment	17	4	2	23	48 [97]
Telecom Marketing Co., Ltd.	Head office (Shinagawa-ku, Tokyo)	Sales support business	Business office, operating equipment	9	1	-----	10	23 [89]
East Communication Inc.	Head office (Kita-ku, Sapporo city)	Sales support business	Business office, operating equipment	14	52	-----	66	114 [245]
EKO-SYSTEM Inc.	Head office (Rumoi city, Hokkaido)	Sales support business	Business office, operating equipment	0	17	-----	17	44 [16]
Fullcast Technology Co., Ltd.	Head office (Shibuya-ku, Tokyo)	Technician dispatch business	Business office, operating equipment	1	17	40	59	756 [2]
Other (2 companies)	-----	-----	-----	-----	1	-----	1	16 [52]
Total				44	136	180	360	1,507 [644]

Notes: 1. "Other," as contained in "Book-value" refers to machine equipment, transportation equipment and software. All figures are not including comsumption taxes.

2. "Employees" refers to staff engaged in work. The number of temporary employees is listed in the parentheses, while the average yearly number of employees is listed outside of the parentheses.

3. Apart from those listed above, assets rented from parties other than consolidated companies are as outlined below (amounts are yearly rental charges, excluding parking).

(1) Submitting companies

(As of Sep 30, 2010)

Name of business office (Location)	Name of segment by type of business	Nature of equipment	Yearly rental charge (millions of yen)
Head office (Shibuya-ku, Tokyo)	Company-wide (shared)	Leased buildings	9
Company housing	Company-wide (shared)	Leased buildings	1
Total	-----	-----	10

(2) Domestic subsidiaries

(As of Sep 30, 2010)

Company name	Name of business office (Location)	Name of segment by type of business	Nature of equipment	Yearly rental charge (millions of yen)
Fullcast Co., Ltd.	Head office, branches (Shinagawa-ku, Tokyo Other)	Short-term operational support business	Leased buildings	351
	Company housing for employees		Leased buildings	42
Top Spot Co., Ltd.	Head office, branches (Shinagawa-ku, Tokyo Other)	Short-term operational support business	Leased buildings	25
	Company housing for employees		Leased buildings	0
Fullcast Advance Co., Ltd.	Head office, branches (Shinagawa-ku, Tokyo Other)	Short-term operational support business, security, other business	Leased buildings	68
	Company housing for employees		Leased buildings	12
Fullcast Marketing Co., Ltd.	Head office, branches (Shinagawa-ku, Tokyo Other)	Sales support business	Leased buildings	69
	Company housing for employees		Leased buildings	11
Telecom Marketing Co., Ltd.	Head office, branches (Shinagawa-ku, Tokyo Other)	Sales support business	Leased buildings	48
	Company housing for employees		Leased buildings	3
East Communication Inc.	Head office, branches (Kita-ku, Sapporo city Other)	Sales support business	Leased buildings	48
	Company housing for employees		Leased buildings	7
EKO-SYSTEM Inc.	Head office, branches (Rumoi city, Hokkaido Other)	Sales support business	Leased buildings	11
	Company housing for employees		Leased buildings	1
Fullcast Technology Co., Ltd.	Head office, branches (Shibuya-ku, Tokyo Other)	Technician dispatch business	Leased buildings	49
	Company housing for employees		Leased buildings	154
Total	-----	-----	-----	898

4. Apart from those listed above, lease equipment included the following (amounts are yearly lease charges).

   Domestic subsidiaries

   Electronic computers and peripheral equipment: 3 million yen

3. Plans for Creation and Retirement of Equipment

(1) New major equipment

There are no applicable items.

(2) Major equipment retired

There are no applicable items.

Part 4 State of Submitting Companies

1. State of Shares

(1) Total number of shares, other information

1)Total number of shares

Type	Total number of issuable shares (shares)
Common stock	1,100,000
Total	1,100,000

2)Outstanding shares

Type	Number of shared issued by the end of the business year (shares) (Sep 30, 2010)	Number of shared issued at the date of submission (shares) (Dec 24, 2010)	Name of exchange for listed financial instruments, or name of association trading registered and approved financial instruments	Description
Common stock	395,964	395,964	Tokyo Stock Exchange (the First section)	These are shares with full voting rights, and are standard shares at the Company, where there are no limits on the content of rights. We do not use a unit share system.
Total	395,964	395,964	-----	-----

(2) State of new share subscription rights

There are no applicable items.

(3) State of exercising of debenture stocks with new share subscription rights, with exercise-price amendments attached

Because these are applied based on annual securities report for business years beginning from February 1, 2010, there are no entries listed.

Because there are no debenture stocks with new share subscription rights, with exercise-price amendments attached, there would be no applicable items even if these were applied.

(4) Description of rights plan

There are no applicable items.

(5) Trends in total number of outstanding shares and capital stock

Date	Change in total number of outstanding shares (shares)	Balance on total number of outstanding shares (shares)	Change in capital stock (millions of yen)	Balance on capital stock (millions of yen)	Change in capital reserve (millions of yen)	Balance on capital reserve (millions of yen)
Jan 31, 2008 *1	-----	275,964	-----	3,464	(1,805)	900
Apr 8, 2009 *2	120,000	395,964	277	3,741	277	1,177
Jan 31, 2010 *3	-----	395,964	(961)	2,780	(1,177)	-----

Notes: 1. This is a transfer to other capital reserve, based on the decision to decrease capital reserve, which was made at the annual general meeting of shareholders held on December 21, 2007.

2. Third-party allotments Issue price: 4,612 yenPaid-in capital: 2,306 yen

Allottee: Takehito Hirano, Hikari Tsushin Inc.

3. Based on decisions made at the annual general meeting of shareholders held on December 22, 2009, after reducing capital stock and capital reserve on January 31, 2010, and transferring to other capital surplus, we have covered deficits.

The capital stock reduction ratio is 25.68%, and the capital reserve reduction ratio is 100.00%.

(6) Shareholder ownership status

(As of Sep 30, 2010)

Classification	Stock information								State of odd lots (shares)
	Government and local public organizations	Financial organizations	Financial commodity traders	Other corporations	Foreign corporations etc.		Individual & others	Total	
					Non-individual	Individual			
No. of shareholders (people)	-----	21	21	66	28	7	8,409	8,552	-----
No. of shares held (shares)	-----	19,977	3,570	82,530	25,144	172	264,571	395,964	-----
Percentage of shares held (%)	-----	5.05	0.90	20.84	6.35	0.04	66.82	100.00	-----

Notes: 1. Our 11,100 shares of treasury stock are included in the "Individual & others" column.

2. 10 (ten) shares are included in the "Other corporations" column under the name of Japan Securities Depository Center, Inc.

(7) Major shareholders

(As of Sep 30, 2010)

Name	Address	Number of shares held	Percentage of shares held to total outstanding shares (%)
Takehito Hirano	Setagaya-ku, Tokyo	139,913	35.33
Hikari Tustin Inc.	Minami Ikebukuro 1-16-15, Toshima-ku, Tokyo	60,000	15.15
KGI Asia Limited (standing proxy: HSBC Tokyo branch)	41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong (Nihonbashi 3-11-1, Chuo-ku, Tokyo)	21,612	5.46
Hideyo Kaneko	Aoba-ku, Yokohama City	8,608	2.17
Daiki Associates Co., Ltd.	Dogenzaka 1-15-3, Shibuya-ku, Tokyo	6,000	1.52
Anan Associates Co., Ltd.	Dogenzaka 1-15-3, Shibuya-ku, Tokyo	6,000	1.52
Ten Associates Co., Ltd.	Dogenzaka 1-15-3, Shibuya-ku, Tokyo	6,000	1.52
Eiji Kasai	Chuo-ku, Tokyo	2,477	0.63
Japan Securities Finance Co., Ltd.	Kayabacho 1-2-10, Nihonbashi, Chuo-ku, Tokyo	2,455	0.62
Fullcast Holdings Employee Share Ownership Association	Nishi Gotanda 8-9-5, Shinagawa-ku, Tokyo	2,426	0.61
Total	-----	255,491	64.52

Note: As of September 30, 2010, the Company holds 11,100 shares of treasury stock (the proportion of shares held, as a percentage of total outstanding shares is 2.80%).

(8) Voting rights

1) Outstanding shares

(As of Sep 30, 2010)

Classification	Number of shares (shares)	Number of voting rights (individual)	Description
Nonvoting shares	-----	-----	-----
Shares with limited voting rights (treasury stock)	-----	-----	-----
Shares with limited voting rights (other)	-----	-----	-----
Shares with full voting rights (treasury stock)	(Shares held in treasury) Common stock 11,100	-----	-----
Shares with full voting rights (other)	Common stock 384,864	384,864	-----
Odd-lot shares	-----	-----	-----
Total number of outstanding shares	395,964	-----	-----
Voting rights of shareholders	-----	384,864	-----

Note: 10 (ten) shares are included in the “Shares with full voting rights (other)” column under the name of Japan Securities Depository Center,

2) Treasury stock, etc.

(As of Sep 30, 2010)

Name of holder	Address of holder	Number of shares held in holder’s own name (shares)	Number of shares held in a different person’s name (shares)	Total number of shares held (shares)	Percentage of shares held to total outstanding shares (%)
(Shares held in treasury) Fullcast Holdings Co., Ltd.	Higashi 1-32-12, Shibuya-ku, Tokyo	11,100	-----	11,100	2.80
Total	-----	11,100	-----	11,100	2.80

(9) Description of stock option scheme

There are no applicable items.

2. Acquisitions of Treasury Stock

Class of shares Common stock

(1) Acquisitions based on decisions made at annual general meeting of shareholders
There are no applicable items.

(2) Acquisitions based on decisions made at board of directors meetings
There are no applicable items.

(3) Description of Items not based on decisions made at either annual general meeting of shareholders or board of directors meetings
There are no applicable items.

(4) Handling and possession of treasury stock acquired

Classification	Current business year		Current term	
	Number of shares (shares)	Total value of disposition (millions of yen)	Number of shares (shares)	Total value of disposition (millions of yen)
Acquired treasury stock for which subscribers were recruited	-----	-----	-----	-----
Acquired treasury stock processed for retirement	-----	-----	-----	-----
Acquired treasury stock for which mergers, stock swaps or transfers for corporate separation were performed	-----	-----	-----	-----
Other	-----	-----	-----	-----
Number of shares held in treasury stock	11,100	-----	11,100	-----

3. Dividend Policy

We recognize the return of profits to shareholders as a key management issue in establishing a solid long term shareholder base.

Dividends are determined after consideration of performance trends, profit growth and investment plans, and our basic policy is to pay dividends twice yearly as interim and year-end dividends. The payment of interim dividends is stipulated in our articles of incorporation, and both interim and year-end dividend payments are determined during our board of directors' meeting.

Because our Company does not currently have the reserves necessary to distribute dividends, we will refrain from paying interim and year-end dividends for the current term (Fiscal year September 2010) and expect to also refrain from paying dividends in the following term (Fiscal year September 2011). We aim to resume dividend payments as soon as possible, while also striving to stabilize management and actively explanding our business.

4. Trends in Stock Prices

(1) High and low stock prices by business year for the past five years

Item	Term 14	Term 15	Term 16	Term 17	Term 18
Settlement month	Sep 2006	Sep 2007	Sep 2008	Sep 2009	Sep 2010
High (yen)	540,000	378,000	103,000	17,430	8,490
Low (yen)	264,000	49,950	19,430	3,200	4,015

Note: High and low stock prices are those found in the First Section of the Tokyo Stock Exchange.

(2) High and low stock prices by month, for the past six months

Month	Apr 2010	May 2010	June 2010	July 2010	Aug 2010	Sep 2010
High (yen)	8,490	7,250	5,610	5,080	5,460	4,500
Low (yen)	5,670	4,910	4,300	4,300	4,015	4,080

Note: High and low stock prices are those found in the First Section of the Tokyo Stock Exchange.

5. Officers

Official title	Job title	Name	Date of birth	Career summary		Term	Number of shares held (shares)
Representative director	President	Hiroyuki Tokiwa	Sep 22, 1964	Apr 1987 Oct 1999 Jan 2005 May 2005 May 2006 Sep 2008 Oct 2009 Dec 2009	Joined Recruit Co., Ltd. Head of assets management division Joined MKS Partners Co., Ltd. Director of Sankei Co., Ltd. Director and COO of Sankei Director of the Company Director of Fullcast Co., Ltd. (present post) Representative director and company president of the Company (present post)	3*	1,000
Director	CCO	Tetsuya Niwa	Feb 10, 1966	Feb 1996 Oct 2002 Oct 2004 Oct 2007 Oct 2008 Dec 2010	Joined Fullcast Co., Ltd. (now Fullcast Holdings Co., Ltd.) Manager of the Company's legal management office Head of the Company's legal office Head of the Company's compliance promotion division CCO of the Company Director and CCO of the Company (present post)	3*	41
Director	CFO	Jo Okada	Feb 18, 1970	Apr 1990 Feb 1992 Jan 1999 May 2002 Oct 2004 May 2008 Oct 2008 Dec 2009 Dec 2010	Joined Ogawa Tax Accountancy Office Joined Meiko Construction Co., Ltd. Joined Fullcast Co., Ltd. (now Fullcast Holdings Co., Ltd.) Finance group manager of the Company's finance division Head of the Company's IR office Head of the Company's accounting division Executive office of the Company CFO of the Company Outside auditor for Fullcast Technology Co., Ltd.(present post) Director and CFO of the Company (present post)	3*	346
Director	Consultant	Takehito Hirano	Aug 25, 1961	Apr 1984 July 1989 Sep 1990 Oct 2004 July 2006 Sep 2007 Dec 2007 Dec 2008 Apr 2009 Dec 2009 Jan 2010	Joined Harvest Futures Co., Ltd. Representative director and company president of Kanagawa School Entrance Research Association Co., Ltd. (now Fullcast Technology Co., Ltd.) Representative director and company president of Resort World Construction Co., Ltd. (now Fullcast Holdings Co., Ltd.) Representative director and company president of Fullcast Finance Co., Ltd. Representative director and company president of Fullcast Marketing Co., Ltd. (present post) Director of the Company Director of ASPAC Inc. Director of Fullcast Technology Co., Ltd. (present post) Representative director and company president of Telecom Marketing Co., Ltd. (present post) Director and consultant for the Company (present post) Representative director and company president of East Communication Inc. (present post) Representative director and company president of EKO-SYSTEM Inc. (present post)	3*	139,913
Director		Yuhiko Yasunaga	May 10, 1954	Apr 1979 Oct 1992 Apr 1994 Jan 2000 Nov 2000 Nov 2004 Apr 2006 Sep 2006 Dec 2010	Joined Sanwa Bank, Ltd. (now Mitsubishi Tokyo UFJ Bank, Ltd.) Senior division head for the international division of Sanwa Bank's international headquarters Section head of related-business headquarters, business management division and planning division for East Japan Railway Company Financial director for Mobit Co., Ltd. Executive director of Russell Reynolds Associates Co., Ltd. Director and company vice-president of Shimamoto Partners Co., Ltd. In charge of management of full-time teaching staff at Graduate School of Management, Globis University (present post) Representative director and company president of Shimamoto Partners Co., Ltd. (present post) Outside director of the Company (present post)	3*	-----
Auditor	Full-time executive	Kouji Sasaki	Aug 2, 1945	Apr 1966 Dec 1984 Jun 1995 Sep 1995 Dec 1999 Dec 2004 Sep 2008	Joined Tokyo Regional Taxation Bureau and worked in the general affairs division, before later working in tax offices Passed the tax accountant examination Retired as a special examiner at Nakano tax office Opened a tax accountancy office Outside auditor for the Company (present post) Outside auditor for Fullcast Technology Co., Ltd. (present post) Auditor for Fullcast HR Research Institute Co., Ltd. (now Fullcast Co., Ltd.) (present post)	4*	96

Auditor		Yoshinori Nakajima	Feb 1, 1946	Apr 1972 Apr 1999 Sep 2000 Apr 2003 Jan 2005 Mar 2005 Apr 2005 Dec 2007	Tokyo District Public Prosecutors' Office attorney, later working at various regional public prosecutors' offices. Tokyo District Public Prosecutors' Office Chief public prosecutor for Fukui District Public Prosecutor's Office Chief public prosecutor for Gifu District Public Prosecutor's Office Supreme Public Prosecutors' Office attorney Resigned Registered as a lawyer Outside auditor for the Company (present post)	5*	-----
Auditor		Tetsuya Otsuki	Aug 4, 1940	Apr 1963 Oct 1973 Jun 2001 Jul 2003 Dec 2008	Joined Tokyo Food and Health Insurance Union Established Otsuki Business Labor Management Office Chairman of All Japan Federation of Certified Social Insurance and Labor Consultant Associations Employee representative for Otsuki Business Labor Management Office, as a certified labor insurance consultant (present post) Outside auditor for the Company (present post)	6*	-----
Total							141,396

Notes:
1. Director Yuhiko Yasunaga is an outside director, as defined in Item 15 of Article 2 of the Companies Act.
2. Auditors Kouji Sasaki, Yoshinori Nakajima and Tetsuya Otsuki are outside auditors, as defined in Item 16 of Article 2 of the Companies Act.
3. The term of office for directors is from the conclusion of the annual general meeting of shareholders for the year to September 2010 until the conclusion of the annual general meeting of shareholders for the year to September 2011.
4. The term of office for auditors is from the conclusion of the annual general meeting of shareholders for the year to September 2010 until the conclusion of the annual general meeting of shareholders for the year to September 2014.
5. The term of office for auditors is from the conclusion of the annual general meeting of shareholders for the year to September 2007 until the conclusion of the annual general meeting of shareholders for the year to September 2011.
6. The term of office for auditors is from the conclusion of the annual general meeting of shareholders for the year to September 2008 until the conclusion of the annual general meeting of shareholders for the year to September 2012.

6. Corporate Governance, etc.

(1) Corporate governance

1) Corporate governance systems

a. Overview of corporate governance systems

We consider the basic principles and aims of corporate governance to ensure transparent and efficient management for all interested parties including shareholders.

The following is an overview of corporate organizations.

i. Board of directors meeting

The board of directors meeting is comprised of five directors (as of Dec 24, 2010), including one outside director. As well as managing matters concerning overall management of the Fullcast Group, they also make decisions on matters of importance for management, such as decisions on Group optimization strategies that are vital to Group management, and responses to common challenges facing the Group.

ii. Group representatives meeting

While respecting the independence of subsidiaries, we hold the Group representatives meeting, which are comprised of representatives from Group companies, and works to understand the situations at all of it's companies, and to create an overall Group strategy.

iii. Board of auditors

The board of auditors exchanges opinions on important matters concerning audits, and holds discussions and makes decisions. They also work to establish ties in which they can receive timely reports from accounting auditors etc.

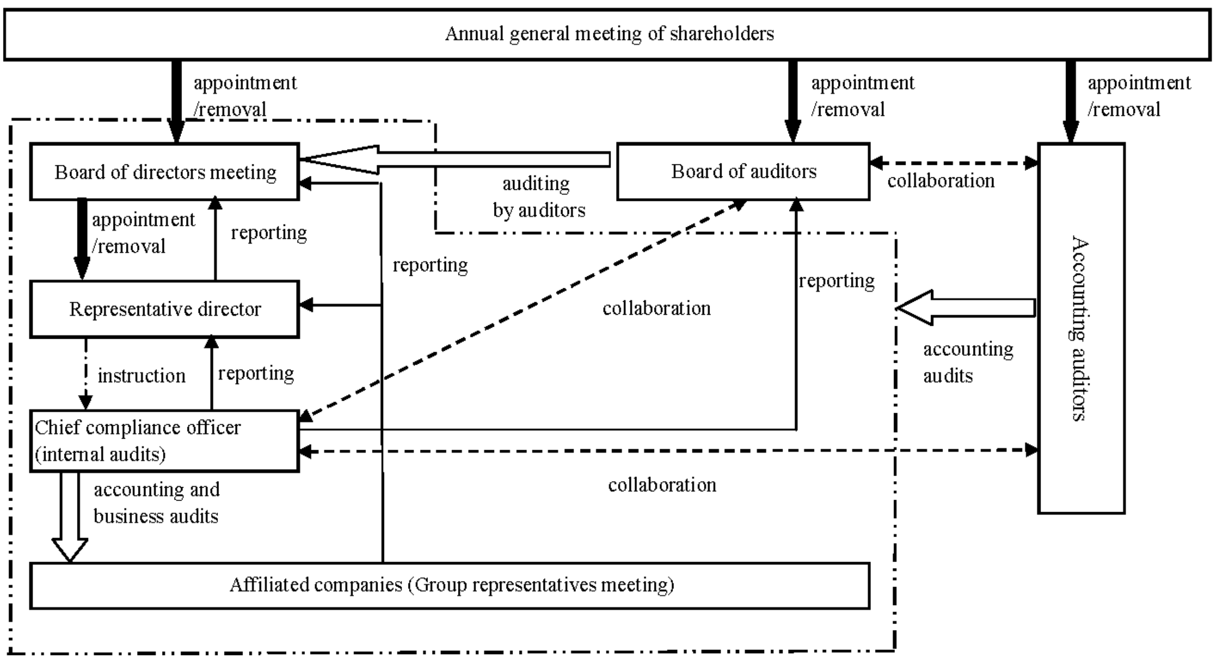
iv. Chief compliance officer

As well as checking the state of achievement in compliance by the entire Fullcast Group, the chief compliance officer works to promote an awareness of compliance throughout the entire company.

v. Accounting auditors

As an auditing company in charge of accounting audits, we have signed audit contracts with KPMG AZSA LLC for audits based on the Financial Instruments and Exchange Act and the Companies Act. As well as regular audits, we also receive confirmation on issues regarding accounting and internal control as required, and endeavor to ensure that our accounting practices and internal control systems are adequate.

(Pattern diagram of the Company's corporate governance systems)



b. Reasons for corporate governance systems adoption

As of December 24, 2010, Fullcast is a company with a board of directors meeting, which is comprised of five directors, and also a company with a board of auditors, which is comprised of three auditors.

To achieve the aforementioned basic principles and goals of corporate governance, we have chosen an outside director as one of our five directors, and in so doing, we aim to strengthen the supervisory function of overall enforcement from an external perspective. Furthermore, by setting a one-year term for directors, we make clear the management responsibility, and also quickly establish an optimum system for dealing with changes in the management environment.

Regarding auditors, by appointing three outside auditors, we perform effective and appropriate oversight of business execution by directors, and have put in place a system that ensures objectivity and neutrality.

Fullcast Holdings Co., Ltd. is listed on the First Section of the Tokyo Stock Exchange as a pure holding company, and our consolidated subsidiary, Fullcast Technology Co., Ltd., is listed on the Osaka Stock Exchange (JASDAQ market (standard)). While respecting the independence of subsidiaries, at the Group representatives meeting we work to understand the situation at all our Group companies, and work to develolp an overall strategy for our Group.

We believe that these systems allow our corporate governance to function properly.

c. Internal control systems

i. To ensure compliance and appropriate risk management in the board of directors meeting, we have adopted the following measures.

- For matters that can affect our entire company – such as important non-customary transactions, important accounting estimates, transactions with companies and directors, and important transactions with subsidiaries – decisions must be made by the board of directors.
- The representative director, chief compliance officer and risk manager regularly report to the board of directors about efforts being made for appropriate risk management and business process improvement. When serious scandals arise, they report immediately to the board of directors meeting.

ii. To put in place systems to establish effective compliance, we have adopted the following measures.

- Deploy a chief compliance officer. In Group companies, we also deploy one compliance manager at each company.
- Put in place administrative authority regulations, and work to establish internal control systems that will prevent authority from being centralized on specific people.
- Provide specific training for directors, managerial employees and regular employees. In cases where relevant laws have been enacted or revised, or where major scandals or accidents have arisen in the Group or other companies, we quickly provide any necessary guidance.
- Based on instructions from the representative director, the chief compliance officer must ensure that strict compliance procedures are implemented in the execution of work, carry out internal audits, and ensure that there is thorough compliance in all Group companies through communication with compliance managers who have been deployed in Group companies.
- In transactions throughout all of our businesses, processes created by financial statements, and business accounting systems we check all events for the possibility of misstatements or mistakes, and streamline systems to ensure that no fraudulent actions are taken during business processes. Also, when and where necessary, we set up lateral organizations for the specific purpose of streamlining various processes.

iii. To put in place systems for appropriate risk management, we have adopted the following measures.

- Deploy a risk director. We also deploy risk managers at each Group company.
- Create standards for important information that must be reported immediately to the board of directors, and disclosure standards, to carry out timely disclosure of risks and other important information.

- Create risk management regulations, and establish a risk management system based on these regulations.

iv. To put in place systems for storing and managing information, we have adopted the following measures.

- The representative director will instruct directors and employees to appropriately store and manage documents based on document management rules.
- Companies shall store and manage materials relating to the following documents (including electronic records) for at least ten years.

(i) Minutes from annual general meeting of shareholders
(ii) Minutes from board of directors meeting
(iii) Financial documents
(iv) Other documents determined by the board of directors meeting

- Board members and auditors will be able to view the above-listed documents at all times.

v. To ensure that work is being executed efficiently by directors, we have adopted the following measures.

- In each term, at the initial board of directors meeting, directors and auditors shall draw up a business plan that outlines the shared goals for all employees, and shall regularly review results at board of directors meeting.
- As a foundation for systems to ensure that work is being executed efficiently by directors, the board of directors' meeting shall in principle be held at regular one-month intervals, and extraordinary sessions shall also be held whenever necessary.
- Regarding execution of work based on decisions made at board of directors meeting, in the areas of organization regulations and division of roles and responsibilities, details concerning responsible officers, their responsibilities and execution procedures shall be decided.

vi. To put in place systems to ensure the appropriateness of work performed at business group, we have adopted the following measures.

- Draw up a Fullcast Group employee code of conduct for all Group companies, and work to gain compliance by all employees. As well as making ensuring compliance by the whole company, board directors at Group companies will also lead by example in acting based on this code of conduct.
- Where they have discovered serious legal violations by Group companies or other important facts concerning compliance issues, directors and employees at Group companies must report to the chief compliance officer or the risk director. The representative director, chief compliance officer or risk director will conduct and supervise an audit of the reported facts, and where deemed necessary will decide upon appropriate countermeasures. Also, where necessary, the chief compliance officer or risk director shall report to the board of directors or board of auditors.
- The representative director, chief compliance officer or risk director will instruct the Group to put in place appropriate internal control systems.

vii. To put in place systems ensure the effectiveness of audits carried out by auditors, we have adopted the following measures.

- Where a request is made by an auditor for an employee to be allocated to assist in their work, we will appoint an employee from the Company as an auditor's assistant. The auditor's assistant will implement the work orders of directors, and performance appraisals will be performed by auditors. Consent must be gained from the board of auditors to transfer or reprimand those people assisting them.
- Auditor's assistants shall not jointly take on posts that involve execution of work.
- Where directors or employees have discovered facts about legal violations or matters that may cause significant damage to the Company, they must promptly report these facts to an auditor.
- When asked to report on matters concerning execution of work by an auditor, directors and employees must

promptly report these.

- Auditors may attend the Group representatives meeting.

d. Establishing systems aimed at eliminating anti-social forces

i. Basic attitude towards eliminating anti-social forces

The Company has formulated the "Fullcast Group Employee Code of Conduct," and by severing ties with anti-social forces, we endeavor to eliminate any potential influence upon our business.

ii. State of establishment of systems aimed at eliminating anti-social forces

- State of establishment of a response management department and personnel in charge of preventing undue claims
  This department is in charge of the chief compliance officer and risk director, and discusses matters with relevant departments.
- State of cooperation with external agencies
  We cooperate with external agencies such as the National Center for the Elimination of Violence, the police, consultant lawyers and risk-management companies as part of our efforts to put in place systems designed to deal with anti-social forces. We provide information to external agencies whenever necessary, and work towards sharing of information.
- State of collection and management of information concerning anti-social forces
  As well as collecting and managing information concerning anti-social forces within our Company, we also utilize information from external agencies, and use it to check whether the counterparty is an anti-social force.
- Establishing a response manual
  We have created a procedure manual for responding to corporate violence, which clearly lists specific response methods.
- State of implementation of training activities
  We regularly conduct in-house training, and endeavor to increase awareness to eliminate anti-social forces.

e. IR, other activities

The Company considers endeavors to ensure highly transparent management and timely and appropriate disclosure of corporate information to be of vital importance in gaining understanding and trust for our management.

As an initiative aimed at revitalizing annual general meeting of shareholders, we seek to hold meetings on dates that avoid conflict with other companies' meetings. We also hold briefing sessions for institutional investors and analysts twice a year after the end of the second and fourth quarters. Top management attend these briefing sessions, and engage in active dialogue with participants. Furthermore, we have also established a system that discloses information fairly to investors both within and outside of Japan via our homepage.

Through such initiatives, we aim to attain the highest levels of accountability within the industry.

2) Internal audits and audits by auditors

a. Internal audits

Internal audits are conducted based on internal audit regulations.

Regarding internal audit regulations, the functions of internal audits are to properly understand the company's property and operations from the standpoint of management analysis, and to contribute to streamlining of management and increasing its efficiency, and also to achieve effective communication and coordination in all of its operations. The chief compliance officer is responsible for audits.

b. Audits by auditors

All the three auditors on our board of auditors are outside auditors. Outside auditors include a tax accountant, a lawyer and a certified social insurance labor consultant. As well as conducting audits from technical standpoints, based on regulations for audits by auditors, they also audit execution of work by directors, and state their opinions on matters such as on appropriate operation and streamlining of operations.

3) Outside directors and outside auditors

a. Overview of outside directors' and outside auditors' personal relationships, capital relationships and other concerns over business relationships

The shareholdings of our Company by our outside director and three outside auditors are outlined below. There are no business relationships or personal relationships.

(As of Dec 24, 2010)

Position in the Company	Name	Number of shares held (shares)
Director	Yuhiko Yasunaga	-----
Fulltime auditor	Kouji Sasaki	96
Auditor	Yoshinori Nakajima	-----
Auditor	Tetsuya Otsuki	-----

b. Attitudes towards functions, roles and appointment of outside directors and outside auditors

Our outside director was appointed after being judged to be qualified as having rich experience in governance, and indicating objectivity towards management, from the perspective of enhancing supervisory functions for overall execution of work and ensuring transparency of management. We have appointed Mr. Yuhiko Yasunaga as an independent director (which refers to outside directors and outside auditors for whom there is no risk of conflict of interest with general shareholders arising), which the Tokyo Stock Exchange stipulates as a "matter to be observed" under the Corporate Code of Conduct.

Our three outside auditors were appointed after being judged to be qualified as possessing suitable expertise, and indicating objectivity towards management from the perspective of enhancing audit functions for overall execution of work and ensuring transparency of management. Mr. Kouji Sasaki is a qualified tax accountant, Mr. Yoshinori Nakajima is a qualified lawyer, and Mr. Tetsuya Otsuki is a qualified social insurance labor consultant.

c. Overview of contracts signed with outside directors and outside auditors, as stipulated in paragraph 1 of article 427 of the Companies Act

Based on item 1 of article 427 of the Companies Act, the Company and our outside director have signed a limited liability contract concerning liability for damages under Item 1 of article 423 of the Companies Act. Based on this contract, where work has been performed in good faith, and without gross negligence, the maximum amount of damages that we are liable for is either a pre-determined amount or the total minimum liability stipulated in Item 1 of article 425 of the Companies Act, whichever is higher.

Based on item 1 of article 427 of the Companies Act, the Company and our outside auditors have signed a limited liability contract concerning liability for damages under item 1 of article 423 of the Companies Act. Based on this contract, where work has been performed in good faith, and without gross negligence, the maximum amount of damages that we are liable for is the total minimum liability stipulated in Item 1 of article 425 of the Companies Act.

d. Supervision and audits by outside directors and auditors, mutual cooperation with audits by internal, outside, and accounting audits, and relationship between internal control department and them

In board of directors meeting, outside directors provide necessary comments for bills and discussions as required, while outside auditors state opinions on bills and discussions as the need arises, from perspectives such as whether decision-making processes used in execution of work by directors and in corporate resolutions are appropriate.

Auditors and the internal audit department work towards mutual cooperation through formulation of audit plans and reporting on outcomes of internal audits. At auditors' meetings, audit plans, detailed explanations on audit plans and the outcomes of audits are made as required by KPMG AZSA LLC, an accounting auditor.

The internal control department summarizes findings from effectiveness assessments on the state of operation and maintenance of internal control. The representative director and chief financial officer then report the summarized findings to the board of directors meeting, the board of auditors and accounting auditors as required. Even in cases where there dishonest actions have been committed by people with roles that are crucial for internal control as part of financial reporting, or where major changes have been made in internal control, they still report to the board of directors meeting, the board of auditors and accounting auditors as required.

4) Directors' and auditors' remuneration, etc.

a. Total amount of remuneration by officer classification, total amount by type of remuneration, and number of officers covered, for submitting companies

Classification	Total amount of remuneration (millions of yen)	Total amount by type of remuneration (millions of yen)				Number of officers covered
		Basic remuneration	Stock options	Bonuses	Retirement benefits	
Directors (excluding outside directors)	81	81	-----	-----	-----	5
Auditors (excluding outside auditors)	-----	-----	-----	-----	-----	-----
Outside officers	25	25	-----	-----	-----	4

b. Total amount of consolidated remuneration for each officer of submitting companies

Not listed, as there is no one for whom the total amount of consolidated remuneration exceeds 100 million yen.

c. Important items among employee bonuses for people working jointly as employees and officers

Not listed, as there is no one working jointly as an employee and officer.

d. Policy concerning decisions on officer remuneration amounts

It is stated in the articles of incorporation that officers' remuneration is stipulated based on decisions made at annual general meeting of shareholders. The Company decides on the amount of remuneration for employees each year, and amounts reflect both the officer's degree of responsibility and results, and must be within the range of remuneration limits determined at the annual general meeting of shareholders held on April 14, 1999.

The remuneration limits determined at the annual general meeting of shareholders held on April 14, 1999 are less than 200 million yen per year for directors and less than 50 million yen per year for auditors.

5) State of shareholding

a. Investment shares that are held for purposes other than net investment purposes

Number of different stocks: 11

Total value recorded in balance sheets: 205 million yen

b. Stocks for which total value of shareholders' equity, as recorded in balance sheets for the current business year, Exceeded 1/100, among investment shares not held for net investment purposes

Stock	Number of shares (shares)	Amount recorded in balance sheets (millions of yen)	Purpose held for
Saint Care Holding Corporation	120	6	For maintaining and strengthening relations
The Bank of Yokohama, Ltd.	9,000	4	For maintaining and strengthening relations

c. Investment shares held for net investment purposes

There are no applicable items.

6) Accounting audits

a. Names of certified public accountants who performed accounting audits for the company, and names of Auditing companies to which they belong

Akihiro Otani (KPMG AZSA LLC)

Since October 1, 2006, he has been continuously involved with us for 4 years, including the current business year.

Katsumi Hinohara (KPMG AZSA LLC)

Since October 1, 2007, he has been continuously involved with us for 3 years, including the current business year.

As a result of a change in the type of auditing company that it was, KPMG AZSA became KPMG AZSA LLC in July 1, 2010.

b. Audit assistants

Certified public accountants: 4

Trainee accountants: 1

Other: 7

7) Resolution matters for annual general meeting of shareholders that can be decided on at board of directors meeting

In the articles of incorporation, it is stipulated that the Company may decide on the following matters at board of directors meeting, regardless of decisions made at annual general meeting of shareholders.

a. It may acquire treasury stock

(To allow it to respond flexibly to changes)

b. It may distribute surplus funds

(To be able to execute flexible capital policies and dividend policies)

c. According to decisions made by the board of directors' meeting, it may be exempt from liability for damages, to the limit of the law, for directors and auditors (including former directors and former auditors) resulting from negligence of duty

(To be able to adequately conduct the roles that are expected to be performed in carrying out duties)

8) Number of directors

It is stipulated in the articles of incorporation that there are to be no more than 10 directors at the Company.

9) Decision requirements for appointment of directors

Regarding decisions to appoint directors, it is stipulated in the articles of incorporation that shareholders with at least 1/3 of shareholders' voting rights, and who can exercise voting rights, must be present, and that the Company requires the majority of these voting rights to act.

Regarding appointments of directors through cumulative voting, it is stipulated in the articles of incorporation that voting must not be done through cumulative voting.

10) Special decision requirements for annual general meeting of shareholders

The Company aims to run annual general meeting of shareholders smoothly, and regarding special decision requirements for annual general meeting of shareholders, as stipulated in Item 2 of Article 309 of the Companies Act, it is stipulated in the articles of incorporation that shareholders with at least 1/3 of shareholders' voting rights, and who can exercise voting rights, must be present, and that the Company requires 2/3 of these voting rights to act.

(2) Details of audit remuneration and other information

1) Details of remuneration for audit-certified public accountants and other information

Classification	Previous consolidated fiscal year		Current consolidated fiscal year	
	Remuneration based on audit certification work (millions of yen)	Remuneration based on non-auditing work (millions of yen)	Remuneration based on audit certification work (millions of yen)	Remuneration based on non-auditing work (millions of yen)
Submitting companies	56	-----	52	-----
Consolidated subsidiaries	22	-----	22	-----
Total	78	-----	74	-----

2) Details of other significant remuneration

There are no applicable items.

3) Details of non-auditing work for submitting companies by audit-certified accountants, etc.

There are no applicable items.

4) Policy for determining audit remuneration

At the Company, we determine audit remuneration after giving consideration to factors such as audit-certified accountants' audit plans, audit contents and audit days.

Part 5 Financial Situation

1. Regarding Preparation Methods for Consolidated and Non-consolidated Financial Statements

(1) The Company's consolidated financial statements are prepared based on "Regulations for Terminology, Forms and Preparation Methods of Consolidated Financial Statements." (Ministry of Finance Decree No. 28, 1976. Hereafter 'Regulations for Consolidated Financial Statements').

For the previous fiscal year (from October 1, 2008 to September 30, 2009) they were prepared based on pre-amendment Regulations for Consolidated Financial Statements, while for the current fiscal year (from October 1, 2009 to September 30, 2010) they were prepared based on post-amendment Regulations for Consolidated Financial Statements.

(2) The Company's financial statements are prepared based on "Regulations for Terminology, Forms and Preparation of Financial Statements." (Ministry of Finance Decree No. 59, 1963. Hereafter 'Regulations for Financial Statements').

For the previous business year (from October 1, 2008 to September 30, 2009) they were prepared based on pre-amendment Regulations for Financial Statements, while for the current business year (from October 1, 2009 to September 30, 2010) they were prepared based on post-amendment Regulations for Financial Statements.

2. Regarding audit certification

Based on Item 2, Paragraph 1 of Article 193 of the Financial Instruments and Exchange Act, the Company underwent audits from KPMG AZSA for consolidated financial statements and financial statements for both the previous fiscal year (from October 1, 2008 to September 30, 2009) and the previous business year (from October 1, 2008 to September 30, 2009). For consolidated financial statements and financial statements for both the current fiscal year (from October 1, 2009 to September 30, 2010) and the current business year (from October 1, 2009 to September 30, 2010), the Company underwent audits by KPMG AZSA LLC.

As a result of a change in the type of auditing company that it was, KPMG AZSA, which had previously been performing audit certification for the Company, became KPMG AZSA LLC in July 1, 2010.

3. Regarding special initiatives for ensuring the adequacy of consolidated financial statements

The Company engages in special initiatives for ensuring the adequacy of consolidated financial statements. Specifically, we have joined the Financial Accounting Standards Foundation to properly understand the details of accounting standards, and to respond appropriately to changes in these. Furthermore, we have put in place systems for receiving information from companies specializing in disclosure on both a regular and occasional basis.

1. Consolidated Financial Statements, etc.

(1) Consolidated financial statements

1) Consolidated balance sheets

(Millions of yen)

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

(Millions of yen)

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

2) Consolidated profit and loss statement

(Millions of yen)

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

(Millions of yen)

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

3) Consolidated statements of shareholders' equity

(Millions of yen)

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

(Millions of yen)

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

4) Consolidated cash flows statement

(Millions of yen)

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

(Millions of yen)

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

Concerning notes about going concern assumption

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

Items of fundamental importance for preparing consolidated financial statements

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
1. Matters concerning scope of consolidation	Number of consolidated subsidiaries: 8 (Name of major consolidated subsidiaries etc.) Fullcast Co., Ltd., Top Spot Co., Ltd., Fullcast Advance Co., Ltd., Nisso Co., Ltd., Fullcast Technology Co., Ltd., Fullcast Marketing Co., Ltd., Marketing Square Co., Ltd., Telecom Marketing Co., Ltd. All subsidiaries are consolidated. Because all shares in Asia Pacific System Research Co., Ltd., were sold on November 18, 2008, it was removed from the scope of consolidation with a reference date of October 1, 2008. The three consolidated subsidiaries belonging to Asia Pacific System Research Co., Ltd. were also removed from the scope of consolidation on the same reference date. Fullcast Co., Ltd. absorbed two former subsidiaries – Casting Bank Co., Ltd. and Job Choice Tokai Co., Ltd. – on February 1, 2009, and another former subsidiary – Oneday Job Style Co., Ltd. – on may 1, 2009. Because all shares in Info-P Co., Ltd. were sold on March 16, 2009, it was removed from the scope of consolidation, with a reference date of March 31, 2009. On April 1, 2009, Fullcast Marketing Co., Ltd., a consolidated subsidiary, established Telecom Marketing Co., Ltd., which is now included in the scope of consolidation. Because all shares in Fullcast Finance Co., Ltd. were sold on May 8, 2009, it was removed from the scope of consolidation, with a reference date of April 1, 2009. Because all shares in Fullcast Factory Co., Ltd. were sold on June 1, 2009, it was removed from the scope of consolidation, with a reference date of June 1, 2009.	Number of consolidated subsidiaries: 10 (Name of major consolidated subsidiaries etc.) Fullcast Co., Ltd., Top Spot Co., Ltd., Fullcast Advance Co., Ltd., Fullcast Marketing Co., Ltd., Marketing Square Co., Ltd., Telecom Marketing Co., Ltd., East Communication Inc., EKO-SYSTEM Inc., Fullcast Technology Co., Ltd., Fullcast Business Support Co., Ltd. All subsidiaries are consolidated. Fullcast Business Support Co., Ltd. was established on October 1, 2009, and was newly included in the scope of consolidation. On October 1, 2009, Fullcast Advance Co., Ltd. absorbed its former subsidiary, Nisso Co., Ltd. Because East Communication Inc. and EKO-SYSTEM Inc., both became subsidiaries of Fullcast Marketing through stock transfers on January 1, 2010, they are now included in the scope of consolidation, with the same date as a reference date.

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
	Because all shares in Fullcast Central Co., Ltd. were sold on June 12, 2009, it was removed from the scope of consolidation, with a reference date of June 1, 2009. Because all shares in Net It Works Inc. were sold on August 3, 2009, it was removed from the scope of consolidation, with a reference date of August 1, 2009.	
2. Matters concerning application of equity method	(1) Affiliate companies applying equity method 1 company: Fullcast Drive Co., Ltd. (2) Names of major companies among non-consolidated companies and affiliate companies not applying equity method ----- Because ICS Institute Research, Inc. sold all shares in Asia Pacific System Research Co., Ltd. on November 18, 2008, it was removed from affiliate companies (equity method unapplied).	(1) Affiliate companies applying equity method ----- Because all shares in Fullcast Drive Co., Ltd. were sold on September 30, 2010, it was removed from the scope of consolidation, as of the same date as the reference date. (2) -----
3. Matters concerning business years of consolidated subsidiaries	The settlement date for consolidated subsidiaries is the same as the consolidated settlement date.	The settlement date for consolidated subsidiaries is the same as the consolidated settlement date. At the annual general meeting of shareholders held on June 23, 2010, settlement dates for East Communication Inc. and EKO-SYSTEM Inc., which were newly added as consolidated subsidiaries on January 1, 2010, were changed from March 31 to September 30.

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
4. Matters concerning accounting standards	(1) Valuation standards and valuation methods for significant assets 1) Marketable securities Other marketable securities Items with market value Market value method based on market prices at the end of fiscal years (Valuation difference is reported as a component of net assets, and cost of products sold is calculated using a moving-average method) Items with no market value Moving-average cost method 2) Derivatives Market value method 3) Inventories Valuation standards are based on cost method (a book-value write-down based on decreased profitability) Merchandize and supplies First-in, first-out method Work in process Specific identification method (2) Depreciation method for significant depreciable assets 1) Property, plant and equipment (excluding lease assets) Declining balance method However, a straight-line method is used for buildings acquired from April 1, 1998 onward (excluding accessory equipment) Useful lives are generally as follows. Buildings and structures: 2-56 years Machinery and vehicles: 2-10 years Tools, furniture and fixtures: 2-20 years 2) Intangible assets (excluding lease assets) Straight-line method For software (for in-house use), a straight-line method based on the in-house availability period (3-5 years) is used. For software (for sale), the amount written off, based on expected profit from sale within the expected availability period (3 years), is compared with the straight-line method amount based on the remaining vendible availability period, and the larger of the two amounts is recorded. 3) Lease assets For lease assets in non-ownership finance lease transactions, the lease period is treated as the useful life, and calculations are made using a straight-line method with residual value treated as zero. Among non-ownership finance lease transactions, items for which the commencement date of lease transactions was prior to September 30, 2008 are calculated using accounting treatments based on methods used in standard lease transactions.	(1) Valuation standards and valuation methods for significant assets 1) Marketable securities Other marketable securities Items with market value Same as on the left Items with no market value Same as on the left 2) Derivatives Same as on the left 3) Inventories Same as on the left Merchandize and supplies Same as on the left Work in process Same as on the left (2) Depreciation method for significant depreciable assets 1) Property, plant and equipment (excluding lease assets) Same as on the left Useful lives are generally as follows. Buildings and structures: 3-30 years Machinery and vehicles: 2-5 years Tools, furniture and fixtures: 3-20 years 2) Intangible assets (excluding lease assets) Same as on the left 3) Lease assets Same as on the left

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
	(3) Treatment methods for significant deferred assets Stock issuance expenses Treated as full value at the point of expenditure. (4) Accounting standards for significant reserves 1) Allowance for doubtful accounts To prepare for credit losses such as losses from accounts receivable and loans, we examine the collectability of general claims using a loan-loss ratio, and examine certain claims, such as those with default possibility, individually, and record the uncollectable amounts. 2) Provision for bonuses To prepare for payments of employee bonuses, we record amounts borne for the current fiscal year, among expected payment amounts. 3) Allowance for cancellation adjustments To prepare for payments of reversal for commission income charged by sales contracting companies based on short-term cancellations by contracted customers for information and communications services, we record expected reversal amounts, which are based on past cancellation rates, as allowance for cancellation adjustments. 4) Provision for retirement benefits To prepare for retirement benefits for employees, the Company and some of our consolidated subsidiaries record amounts recognized as accruing at the end of the current fiscal year, based on expected amounts for retirement benefit obligations and pension assets at the end of the current fiscal year. Actuarial differences are generally treated collectively in the fiscal year in which they arise.	(3) Treatment methods for significant deferred assets Organization expenses and opening expenses Treated as full value of expenses at the point of expenditure. (4) Accounting standards for significant Reserves 1) Allowance for doubtful accounts Same as on the left 2) Provision for bonuses Same as on the left 3) Allowance for cancellation adjustments Same as on the left 4) Provision for retirement benefits Same as on the left (Changes in accounting policy) As of the current fiscal year, we are applying the partial amendment (part 3) (Corporate Accounting Standards, vol. 19, July 31, 2008) to “Accounting Standards for Retirement Benefits.” Based on this, operating income, ordinary income and net income before taxes and other adjustments have decreased by 19 million yen. Details on matters relating to segment information are outlined in the relevant places.

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
	(5) Standards for translation of major assets and liabilities held in foreign currency into domestic currency Foreign currency receivables and payables are translated into yen based on the spot exchange rate at the end of the consolidated fiscal year, and the translation difference is treated as a loss or gain. (6) Significant accounting methods for hedge 1) Hedge accounting methods Based on deferred hedging Also, among interest-rate swaps, relevant special treatments are used for transactions that are subject to "Special Treatments for Interest-Swaps" (Accounting Standards Annotations for Financial Instruments (Note 14)). 2) Hedge methods and hedged items Hedge methods applying hedge accounting, and hedged items, are as follows. Hedge methods: interest swap Hedged items: interest on borrowing based on a variable interest rate 3) Hedging policy We perform interest-swap transactions with the aim of hedging against interest-rate risks. Based on company regulations, these transactions are carried out by the relevant department, and internal auditors verify the validity of procedures and transactions for individual contracts. 4) Methods for evaluating the effectiveness of hedges Interest-swap transactions Regarding hedged items and hedge methods, we examine hedge effects for each individual transaction at the end of each fiscal year (including the end of consolidated fiscal quarters), but where important factors such as the principal, interest rate and term are identical, we skip this verification for hedged items and hedge methods. (7) Other items of importance for preparing consolidated financial statements accounting treatments for consumption tax, etc. Accounting treatments for consumption tax and local consumption tax are based on a tax-excluded method.	(5) Standards for translation of major assets and liabilities held in foreign currency into domestic currency Same as on the left (6) Significant accounting methods for Hedge 1) Hedge accounting methods Same as on the left 2) Hedging methods and hedged items Same as on the left 3) Hedging policy Same as on the left 4) Methods for evaluating the effectiveness of hedges Interest- swap transactions Same as on the left (7) Other items of importance for preparing consolidated financial statements accounting treatments for consumption tax, etc. Same as on the left

Item	Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
5. Items concerning valuation of consolidated subsidiaries' assets and liabilities	The valuation method of consolidated subsidiaries' assets and liabilities is based on a full fair value method.	Same as on the left
6. Items concerning amortization of goodwill and negative goodwill	Regarding amortization of goodwill, we perform amortization for the period of time in that these effects are estimated to occur for. However, where monetary amounts are small, we perform amortization for the full amount at the point of occurrence.	Regarding amortization of goodwill and negative goodwill, we perform amortization for the period of time in that these effects are estimated to occur for. However, where monetary amounts are small, we perform amortization for the full amount at the point of occurrence.
7. Scope of capital in consolidated cash flow statements	This is comprised of cash in hand, demand deposits and short-term investments that mature within 3 months after the date of acquisition, are highly liquid, can easily be converted into cash, and carry only insignificant risk in terms of changes in value.	Same as on the left

Changes in items of fundamental importance in preparing consolidated financial statements

Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
1. Application of financial standards for valuation of inventories As of the current fiscal year, we are applying "Accounting Standards for Valuation of Inventories" (Corporate Accounting Standards, vol. 9, July 5, 2006), and have switched from using a cost approach to a cost approach (a book-value write-down based on decreased profitability) for our valuation standards. This will not have any impact on earnings. 2. Application of accounting standards for lease transactions As of the current fiscal year, we are applying "Accounting Standards for Lease Transactions" (Corporate Accounting Standards, vol. 13 (June 17, 1993 (ASBJ, the First Session), amended on March 30, 2007), as well as "Application Guideline for Accounting Standards for Lease Transactions" (Corporate Accounting Standards Application Guideline, vol. 16 (January 18, 1994 (the Japanese Institute of Certified Public Accountants and the Accounting Systems Committee), amended March 30, 2007), and use accounting treatments used in standard sales transactions. Also, regarding methods used for depreciation of lease assets used in non-ownership-transfer finance lease transactions, we treat useful life as being the lease period, and employ a straight-line method, assuming a residual value of zero. This will not have any impact on earnings. Among non-ownership-transfer finance lease transactions, with items for which the commencement date for lease transactions was prior to September 30, 2008, we use accounting treatments based on methods used for standard lease transactions.	---------------------------------------

Changes in presentation methods

Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
(Consolidated balance sheets) Due to the application of “Cabinet Office Ordinance Partially Revising Regulations for Terminology, Forms and Methods of Financial Statements” (August 7, 2008, Cabinet Office Ordinance No. 50), items that were displayed as “Inventories” at the end of the previous fiscal year are now being stated separately as “Merchandise,” “Work in process” and “Supplies,” as of the current fiscal year. “Merchandise,” “Work in process” and “Supplies” included in “Inventories” at the end of the previous fiscal year totaled 125 million yen, 678 million yen and 78 million yen, respectively. (Consolidated profit and loss statement) In the previous fiscal year, because “Dividend income,” which was included in “Other” among “Non-operating income,” exceeded 10/100 of non-operating income, in the current fiscal year we have switched to stating it separately. “Dividend income” among non-operating income for the previous fiscal year totaled 32 million yen.	(Consolidated balance sheets) Because “Insurance funds” (9 million yen in the current fiscal year), which had been stated separately in the previous fiscal year, was of low monetary significance, we have switched to displaying it as part of “Other” under “Other investment assets,” as of the current fiscal year.

Notes

Notes on consolidated balance sheet

(Millions of yen)

Consolidated accounting period for the previous fiscal year (September 30, 2009)	Consolidated accounting period for the current fiscal year (September 30, 2010)
*1 ――――――――	*1 Secured assets and secured obligations As security for the 3,011 million yen of short-term loans payable, 534 million yen is provided among subsidiaries and affiliates. Furthermore, subsidiaries and affiliates are consolidated subsidiaries and therefore are not recorded in the consolidated financial statements.
*2 The following figure reflects affiliated companies. Investment securities 13	*2 ――――――――
*3. The Company and one of its consolidated subsidiaries signed an agreement for overdraft with 3 banks to procure operating capital efficiently. The unused borrowing balance involved in the agreement for overdraft at the end of this consolidated fiscal year is as follows: Limit of overdraft account 1,647 Borrowing 1,117 Balance 530	*3. The Company and one of its consolidated subsidiaries signed an agreement for overdraft with 2 banks to procure operating capital efficiently. The unused borrowing balance involved in the agreement for overdraft at the end of this consolidated fiscal year is as follows: Limit of overdraft account 1,099 Borrowing 569 Balance 530

Notes on consolidated profit and loss statement

(Millions of yen)

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

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

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

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

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

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

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

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

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

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

(2) Details of the recognition of the impairment loss

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

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

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

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

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

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

Tools, furniture and fixtures	0
Total	0

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

Tools, furniture and fixtures	2
Total	2

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

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

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

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

Use	Type	Place
Excess earning power	Goodwill	Kita-ku, Osaka

(2) Details of the recognition of the impairment loss

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

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

Notes on consolidated statements of shareholders' equity

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

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

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

(Overview of reasons for changes)

Details of the increased number of shares are as follows.

Third party placement: 120,000 shares

2. Matters concerning stock acquisition rights

The There are no applicable items.

3. Matters concerning dividend

(1) Dividend payments

There are no applicable items.

(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 applicable items.

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 applicable items.

3. Matters concerning dividend

(1) Dividend payments

There are no applicable items.

(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 applicable items.

Notes on consolidated cash flows statement

(Millions of yen)

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

(Millions of yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
The income derived from the sale of Fullcast Factory Co., Ltd. and its assets and liabilities rom their removal the scope of consolidation are listed below. Current assets 1,257 Noncurrent assets 127 Current liabilities (1,185) Loss on sales of shares of subsidiaries and affiliates (201) Sale of shares (Excluding sales commissions) (1) Redemption of loan extended 440 Cash and cash equivalents (590) Income (loss) derived from sale (152) The income derived from the sale of Fullcast Central Co., Ltd. and its assets and liabilities from their removal the scope of consolidation are listed below. Current assets 265 Noncurrent assets 228 Current liabilities (747) Noncurrent liabilities (43) Income on sales of shares of subsidiaries and affiliates 295 Sale of shares (Excluding sales commissions) (2) Disbursement of contribution to the company (190) Cash and cash equivalents (80) Income (loss) derived from sale (272) The income derived from the sale of Net It Works, Inc. and its assets and liabilities from their removal the scope of consolidation are listed below. Current assets 2,555 Noncurrent assets 569 Goodwill 374 Current liabilities (1,105) Noncurrent liabilities (166) Minority interests (606) Gains on sales of susidiaries and affiliates' stocks 330 Sale of shares (Excluding sales commissions) 1,951 Cash and equivalents (849) Income (loss) derived from sale 1,102	

(Millions of yen)

Consolidated accounting period for the previous fiscal year (From October 1, 2008 To September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 To September 30, 2010)
* 3. ———————	* 3. Major details of assets and liabilities for companies which became new consolidated subsidiaries East Communication 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 interests (73) Purchase of shares 51 Cash and cash equivalents (14) Costs (income) incurred from purchase 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 interests (46) Purchase of shares 51 Cash and cash equivalents (75) Costs (income) incurred from purchase (24)

Notes on lease transactions

(Millions of yen)

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

1. Finance and lease transactions other than those where transfer of property rights for lease buildings to tenants has been approved

(1) Details of lease assets
These are tools, furniture and fixtures.

(2) Depreciation methods for lease assets
These are as listed in "4. Items Concerning Accounting Standards, (2) Depreciation Methods for Major Depreciable Assets," under "Items of Fundamental Importance for Preparing Consolidated Financial Statements."
Among non-ownership-transfer finance lease transactions, lease transactions for which the commencement date for lease transactions was prior to September 30, 2008, we use accounting treatments based on methods used for standard lease transactions, and details of these are as follows.

1) Amount equivalent to acquisition cost of lease assets, amount equivalent to cumulative depreciation, amount equivalent to cumulative impairment loss, and amount equivalent to balance at the end of fiscal year

	Amount equivalent to acquisition cost (millions of yen)	Amount equivalent to cumulative depreciation (millions of yen)	Amount equivalent to cumulative impairment loss (millions of yen)	Amount equivalent to balance at the end of fiscal year (millions of yen)
Tools, furniture and fixtures	16	9	-----	7

2) Amount equivalent to term-end balance on unearned lease fees
Amount equivalent to term-end balance on unearned lease fees

Within 1 year	2
Over 1 year	5
Total	8

3) Lease payments, reversal of accumulated impairment loss on lease assets, depreciation equivalent amount, and equivalent to interest paid

Lease payments	31
Reversal of accumulated impairment loss on lease assets	23
Depreciation equivalent amount	27
Equivalent to interest paid	2

4) Methods for calculating depreciation equivalent amount and equivalent to interest paid
We use a straight-line method, assuming residual value of zero, and treating useful life as the lease term.
Method for calculating equivalent to interest
The difference between total lease charges and the amount equivalent to acquisition costs for lease properties as treated as the amount equivalent to interest, and allocation to each term is done through an interest method.

2. Operating lease transactions
Unearned lease fees for non-cancelable items among operating lease transactions

Within 1 year	2
Over 1 year	2
Total	3

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

1. Finance and lease transactions other than those where transfer of property rights for lease buildings to tenants has been approved

(2) Details of lease assets
Same as on the left

(2) Depreciation methods for lease assets
Same as on the left

1) Amount equivalent to acquisition cost of lease assets, amount equivalent to cumulative depreciation, amount equivalent to cumulative impairment loss, and amount equivalent to balance at the end of fiscal year

	Amount equivalent to acquisition cost (millions of yen)	Amount equivalent to cumulative depreciation (millions of yen)	Amount equivalent to cumulative impairment loss (millions of yen)	Amount equivalent to balance at the end of fiscal year (millions of yen)
Tools, furniture and fixtures	13	8	-----	5

2) Amount equivalent to term-end balance on unearned lease fees
Amount equivalent to term-end balance on unearned lease fees

Within 1 year	2
Over 1 year	3
Total	5

3) Lease payments, reversal of accumulated impairment loss on lease assets, depreciation equivalent amount, and equivalent to interest paid

Lease payments	3
Reversal of accumulated impairment loss on lease assets	-----
Depreciation equivalent amount	2
Equivalent to interest paid	0

4) Methods for calculating depreciation equivalent amount and equivalent to interest paid
Same as on the left

Method for calculating equivalent to interest
Same as on the left

2. Operating lease transactions
Unearned lease fees for non-cancelable items among operating lease transactions

Within 1 year	2
Over 1 year	-----
Total	2

Regarding financial instruments

Current fiscal year (from October 1, 2009 to September 30, 2010)

(Additional information)

As of the current fiscal year, we apply "Accounting Standards for Financial Instruments" (Corporate Accounting Standards, vol. 10, March 10, 2008) and "Application Guideline for Displaying Market Prices of Financial Instruments" (Corporate Accounting Standards, vol. 19, March 10, 2008).

1. Matters concerning the state of financial instruments

(1) Policy initiatives for financial instruments

The Group assumes bank loans for working capital. We also work to achieve proper fund management through effective use of our Group CMS (cash management service). Fund management is generally limited to high security deposits that are liquid. Regarding derivatives, it is our policy not to engage in speculative trading.

(2) Details of financial instruments, and associated risks

Notes and accounts receivable, which are operating receivables, are exposed to customer credit risks. Accounts payable and accrued expenses, which are operating debts, have due dates of within one year. Loans are primarily taken out for the purpose of procuring working capital. Although floating rate loans are exposed to interest-rate risks, long-term loans avoid interest-rate risks for interest paid.

(3) Risk management systems for financial instruments

1) Management of credit risks (risks associated with contractual default by business partners)

Regarding credit risks for operating receivables, based on credit management regulations, as well as managing settlement dates and balances for each trading partner of core temporary staffing businesses such as Fullcast Co., Ltd., we are also working to quickly understand and lessen recovery concerns resulting from the worsening financial situation.

2) Management of market risks (risks from fluctuations in exchange rates and interest rates)

To reduce risks from fluctuations in interest rates for payments on long-term loans, we mainly use fixed interest rates.

3) Management of liquidity risks for fund procurement (risk of being unable to execute payments on due dates)

Our Company's finance department conducts daily deposit balance management for the Group, and also appropriately manages liquidity risks for all companies through CMS.

(4) Supplementary explanation about matters concerning market values of financial instruments

As well as values based on market prices, in cases where there is no market price, reasonably calculated values are included in market prices for financial instruments. Because variable factors are incorporated in calculating these values, they may vary when different prerequisites are used.

2. Matters concerning market values for financial instruments

Consolidated balance sheet amounts, market prices and differences between these, as recorded on September 30, 2010 (the consolidated settlement date for the current term), are as follows.

	Consolidated balance sheet amount (millions of yen)	Market value (millions of yen)	Difference (millions of yen)
(1) Cash and deposits	5,017	5,017	-----
(2) Notes and accounts receivable-trade	4,112	4,112	-----
(3) Guarantee deposits	643	642	(2)
Total assets	9,773	9,772	(2)
(4) Short-term loans payable	3,011	3,011	-----
(5) Accounts payable-other	1,647	1,647	-----
(6) Accrued expenses	749	749	-----
(7) Long-term loans payable (including current portion of long-term loans payable)	2,400	2,418	18
Total liabilities	7,807	7,825	18
(8) Derivatives trading	-----	-----	-----

Notes: 1. Matters concerning methods for calculating market value of financial instruments and derivatives trading Assets

(1) Cash and deposits and (2) Notes and accounts receivable-trade

These items are settled in short periods, and those of market values are approximately equal to book value, they are based on relevant book-values.

(3) Guarantee deposits

Market values for guarantee deposits indicate past results from departure, and are based on current prices that are obtained by discounting expected receivable amounts – reflecting collectability – once the average term of residence has been calculated, by highly-safe interest rates that correspond to the period up until departure.

Liabilities

(4) Short-term loans payable, (5) Accounts payable-other and (6) Accrued expenses

These are items that are settled in short periods, and because market values are approximately equal to book value, they are based on relevant book-values

(7) Long-term loans payable (including current portion of long-term loans payable)

Market values for long-term loans payable (including current portion of long-term loans payable) are calculated based on current values that are obtained by discounting the total amount of principal and interest by the envisaged interest rate for where an identical loan were newly taken out.

(8) Derivatives trading

Because items based on special treatments for interest-swaps are treated together with interest on long-term loans payable regarded as hedged items, their market values are included in those of the said long-term loans payable.

2. Expected redemption amount of pecuniary claims after the consolidated settlement date

	Within 1 Year (millions of yen)	1-5 Years (millions of yen)	5-10 Years (millions of yen)	Over 10 Years (millions of yen)
Cash and deposits	5,017	-----	-----	-----
Notes and accounts receivable-trade	4,112	-----	-----	-----
Total	9,130	-----	-----	-----

3. Expected repayment amounts for short-term loans payable and long-term loans payable

See “5) Consolidated statement schedule, schedule of borrowings.”

Regarding marketable securities

Previous fiscal year

1. Items with market value among other marketable securities (as of September 30, 2009)

Classification	Acquisition cost (millions of yen)	Consolidated balance sheet amount (millions of yen)	Difference (millions of yen)
Items for which consolidated balance sheet amount exceeds acquisition cost			
1) Shares	73	93	20
2) Bonds			
Government bonds and municipal bonds, etc.	-----	-----	-----
Corporate bonds	-----	-----	-----
Other	-----	-----	-----
3) Other	-----	-----	-----
Subtotal	73	93	20
Items for which consolidated balance sheet amount does not exceed acquisition cost			
1) Shares	-----	-----	-----
2) Bonds			
Government bonds and municipal bonds, etc.	-----	-----	-----
Corporate bonds	-----	-----	-----
Other	-----	-----	-----
3) Other	-----	-----	-----
Subtotal	-----	-----	-----
Total	73	93	20

Note: “Acquisition cost,” in the table, lists monetary amounts after impairment loss.

Impairment loss totaled 2 million yen (2 million yen in shares).

2. Other marketable securities sold during the current fiscal year (from October 1, 2008 to September 30, 2009)

Proceeds from sales (millions of yen)	Total gain on sales (millions of yen)	Total loss on sales (millions of yen)
221	1	13

3. Details for major marketable securities with no market value (as of September 30, 2009)

	Consolidated balance sheet amount (millions of yen)
Shares in subsidiaries and affiliates	
Shares in affiliates	13
Other marketable securities	
Unlisted shares	748

Note: Consolidated balance sheet amounts for shares list monetary amounts after impairment loss.

Impairment loss totaled 55 million yen (55 million yen in unlisted shares).

Current fiscal year

1. Other marketable securities (as of September 30, 2010)

Classification	Consolidated balance sheet amount on the consolidated settlement date (millions of yen)	Acquisition cost (millions of yen)	Difference (millions of yen)
Items for which consolidated balance sheet amount exceeds acquisition cost			
1) Shares	10	6	4
2) Bonds			
Government bonds and municipal bonds, etc.	-----	-----	-----
Corporate bonds	-----	-----	-----
Other	-----	-----	-----
3) Other	-----	-----	-----
Subtotal	10	6	4
Items for which consolidated balance sheet amount does not exceed acquisition cost			
1) Shares	269	307	(38)
2) Bonds			
Government bonds and municipal bonds, etc.	-----	-----	-----
Corporate bonds	-----	-----	-----
Other	-----	-----	-----
3) Other	-----	-----	-----
Subtotal	269	307	(38)
Total	279	313	(34)

Note: Because they have no market price, and it is deemed to be prohibitively difficult to determine their market value, unlisted shares (consolidated balance sheet amount: 206 million yen) are not included among “Other marketable securities” in the table above.

2. Other marketable securities sold during the current fiscal year (from October 1, 2008 to September 30, 2009)

Classification	Proceeds from sales (millions of yen)	Total gain on sales (millions of yen)	Total loss on sales (millions of yen)
Shares	68	7	-----

3. Marketable securities for which impairment was performed (from October 1, 2009 to September 30, 2010)

In the current fiscal year, 543 million yen in impairment was performed for marketable securities (543 million yen in unlisted shares).

Regarding derivatives trading

Previous fiscal year (from October 1, 2008 to September 30, 2009)

1. Matters concerning the state of transactions

Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)
(1) Details of transactions, policy initiatives and purpose of use The Company engages in interest-swap transactions with the aims of avoiding interest-rate risks, and maintaining the cost of procuring debt below a certain level. In interest-swap transactions carried out by the Company, variable interest rates that are specified according to certain criteria for notional values are exchanged, and the Company can avoid the risk of rising interest by accepting differential interest. The Company’s policy to set notional values within the range of debt, and not to engage in derivatives trading for speculation purposes. (2) Details of risks incurred in trading Derivatives trading that the Company engages in allows us to keep the risk of rising interest below a certain level, for all market interest rates. Also, because our counterparties are financial organizations with good credit, when engaging in derivatives trading, the Company does not expect credit risks such as being unable to enjoy the benefits that were expected to be gained in future from continued trading to arise as a result of the other party ending up defaulting. (3) Management systems for risks incurred in trading Based on company regulations at the Company, interest-swap transactions for debt are performed by the competent department. Internal auditors also verify the appropriateness of procedures and transactions for individual contracts. (4) Additional explanations for “Matters concerning market values used in transactions” All derivatives transactions carried out by the Company are based on negotiation transactions with financial organizations, and market value are not formed. Therefore, in market value calculations, we estimate transaction costs for where agreements have been made with the same party, according to the same terms on the settlement date, and envisaged costs for where transactions were to be cancelled in the settlement date.

2. Matters concerning market values used in transactions

Although we engage in interest-swap transactions, these are excluded from listed items, as hedge accounting is applied for all of them.

Current fiscal year (from October 1, 2009 to September 30, 2010)

1. Derivatives transactions for which hedge accounting is not applied

There are no applicable items.

2. Derivatives transactions for which hedge accounting is applied

It has been omitted as there is no significant importance

Notes on retirement benefits

(Millions of yen)

<table>
<tr><th>Consolidated accounting period for the previous fiscal year
(From October 1, 2008 To September 30, 2009)</th><th>Consolidated accounting period for the current fiscal year
(From October 1, 2009 To September 30, 2010)</th></tr>
<tr><td>1. Summary of the retirement benefit scheme adopted
Some of the Company's consolidated subsidiaries have established employees' pension fund, approved retirement annuity system and termination allowance plan as fixed benefit-type programs.
As of the consolidated accounting period, four companies of the Group own the termination allowance plan, while three of those own a taxation approved retirement plan as for the approved retirement annuity system. As for the employees' pension fund, one company of the Group has the "Billboard Display Employees' Pension Fund" (general type).
Moreover because of the large number of people accepting our voluntary retirement program, we have adopted "accounting methods for retirement benefit system" (corporate accounting standards application policy number 1) to part of our retirement system which are completed.
Matters associated with the multiemployer pension plan in which the amount of required contributions is accounted for as retirement benefit expenses are as follows.

(1) Matters concerning the funded status of the overall plan (as of March 31, 2009)
Pension assets 31,887
Benefit obligation based on the calculation of pension financial position 54,224
Difference (22,337)

(2) The ratio of contribution of the Company Group to the overall plan
(From April 1, 2008 to March 31, 2009)
0.11%

(3) Supplementary explanation
The main factor for the difference in (1) above is the balance of prior service costs of 12,609 million yen based on the calculation of pension financial position. The amortization method of prior service costs used in this plan is an equal monthly payment with interest for 20 years and zero month.
The ratio in (2) above is not the same as the ratio of actual obligation of the Company Group.

2. Matters concerning retirement benefit obligation
a. Retirement benefit obligation (583)
b. Pension assets 92
c. Non-accumulated retirement benefit obligation (a + b) (491)
d. Prepaid pension cost 5
e. Unconfirmed actuarial differences 1
f. Retirement benefit allowance (c – d + e) (495)</td>
<td>1. Summary of the retirement benefit scheme adopted
Some of the Company's consolidated subsidiaries have established employees' pension fund, approved retirement annuity system and termination allowance plan as fixed benefit-type programs.
As of the consolidated accounting period, three companies of the Group own the termination allowance plan, while two of those own a taxation approved retirement plan as for the approved retirement annuity system. As for the employees' pension fund, one company of the Group has the "Billboard Display Employees' Pension Fund" (general type).
Matters associated with the multiemployer pension plan in which the amount of required contributions is accounted for as retirement benefit expenses are as follows.

(1) Matters concerning the funded status of the overall plan (as of March 31, 2010)
Pension assets 38,325
Benefit obligation based on the calculation of pension financial position 50,882
Difference (12,557)

(2) The ratio of contribution of the Company Group to the overall plan
(From April 1, 2009 to March 31, 2010)
0.06%

(3) Supplementary explanation
The main factor for the difference in (1) above is the balance of prior service costs of 11,699 million yen based on the calculation of pension financial position. The amortization method of prior service costs used in this plan is an equal monthly payment with interest for 19 years and zero month.
The ratio in (2) above is not the same as the ratio of actual obligation of the Company Group.

2. Matters concerning retirement benefit obligation
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 actuarial differences 11
f. Retirement benefit allowance (c – d + e) (482)</td></tr>
</table>

(Millions of yen)

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

Notes on stock option

Previous fiscal year (from October 1, 2008 to September 30, 2009)

There are no applicable items.

Current fiscal year (from October 1, 2009 to September 30, 2010)

There are no applicable items.

Notes on tax effect accounting

(Millions of yen)

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

Segment information

Information on the business segments

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

(Millions of yen)

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

Notes:

1. The company's business activities are divided as given below for the purpose of internal management.
2. Business segments
   (1) Spot business: Short-term employee dispatching services, short-term contractual workers services
   (2) Factory business: Staffing services for production line work, contracted-out services for production line work
   (3) Technology business: Engineer dispatching services, human resources contracting of technical staff, data communication services
   (4) Office business: Clerical manpower dispatching, clerical work contracting
   (5) Other business: Restaurant and bar management, security services, advertising agency services, etc.
3. Significant fluctuations in segment-based assets:
   All shares of Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd., consolidated subsidiaries with significant fluctuations in segment-based assets, were transferred to a third party in June of 2009. The companies have therefore withdrawn from the factory business. As a result, assets of the factory business decreased by 3,986 million yen when compared to the end of the previous fiscal year.
4. Of the operating expenses during the consolidated fiscal year, the amount of funds, which can not be allocated, included in the elimination or company total item is 995 million yen. It is mainly expenses associated with the administrative departments of the parent company's head office, such as Accounting.
5. Of assets for the consolidated fiscal year, the total amount of assets of the whole Company included into the eliminations or company total items was 7,576 miillion yen. They were primarily made up of long-term investment assets (investment securities) and assets involved in the administrative department.

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

(Millions of 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 (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
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 decrease in operating income of the shor-term operational support business.

6. Changes in the method of business segments

Our Group has used the business segments of "Spot business", "Factory business", "Technology business", "Office business" and "Other Business". However, as the result of restructuring, we have withdrawn from the Factory business. Furthermore, from the current fiscal year (see note2), we are making disclosures regarding the main services of each business. As a result, the office personnel services of our office personnel dispatch business which were included in the "Office business" in the year ended September 2009 were recorded in the "Short-term operation support business" segment.

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

(Millions of yen)

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

Geographic segment information

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

Overseas sales

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

Information on related parties

Previous fiscal year (from October 1, 2008 to September 30, 2009)
(Additional information)
As of the previous fiscal year, we are applying "Accounting Standards for Displaying Related Parties" (ASBJ, Corporate Accounting Standards, vol. 11) and "Application Guideline for Accounting Standards for Displaying Related Parties (ASBJ, Application Guideline for Corporate Accounting Standards, vol. 13), which were announced on October 17, 2006.
As a result, in addition to the standard range of items for display, transactions with consolidated subsidiaries and affiliates of companies submitting consolidated financial statements have also been added to the list of items for display.

1. Transactions with related parties
(1) Transactions of companies submitting consolidated financial statements and related parties.
Officers and major shareholders for companies submitting consolidated financial statements (individual shareholders only), etc.

Type	Name of company or individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Officers and shareholders	Takehito Hirano	-----	-----	Chairman of the Company	Owned directly 36.61	Third-party allocation of shares, liability guarantees and acceptance of collateral	Third-party allocation of shares *1, Liability guarantees and acceptance of collateral *2	277 3,592	-----	-----
Companies for which officers and their close relatives hold the majority of voting rights	DTA Co., Ltd. *3	Shibuya-ku, Tokyo	Capital stock 10	Real-estate trading	Owned directly 0.25	Acceptance of collateral	Acceptance of collateral *2	1,353	-----	-----
Companies for which officers and their close relatives hold the majority of voting rights	Aplaudo Co., Ltd. *3	Shibuya-ku, Tokyo	Capital stock 33	Real-estate trading	-----	Acceptance of collateral	Acceptance of collateral *2	1,353	-----	-----

Consumption tax is not included in transaction amounts for the amounts listed above.
Transaction terms and policies for their decision
Notes: *1 The Company provides third-party share allocations of 4,612 yen per share.
*2 We receive liability guarantees and/or provisions of collateral for financial loans, and transaction amounts are outstanding guarantees at the end of the term. We do not make payments for guarantee charges.
*3 Company director Takehito Hirano and his close relatives directly hold 100.00% of voting rights.

(2) Transactions with consolidated subsidiaries and related parties of companies submitting consolidated financial statements

Type	Name of company or Individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Companies for which officers of major subsidiaries and their close relatives hold the majority of voting rights	D-Solution Co., Ltd. *1	Chiyoda-ku, Tokyo	Capital stock 20	Real-estate trading	-----	Real-estate rental	Real-estate rental fees *2	70	Other (current assets)	6
							Payments for key money, and payments of renewal fees *2	-----	Other (current assets)	2
									Other (other investment assets)	3
							Payments for lease deposits*2	-----	Guarantee deposits	36

Consumption tax is not included in transaction amounts for the amounts listed above, but is included in term-end balances.

Transaction terms and policies for their decision

Notes: *1 The real-estate rental transactions listed above were carried for the purpose of use as a dormitory for foreign workers, and are transactions that were formally carried out through d-Solutions Co., Ltd., but were effectively transactions with Interbiz Co., Ltd. (a company owned by Shiro Kaitsuka, representative director of Fullcast Technology Co., Ltd.).

*2 Real-estate rental fees, renewal fees, lease deposits and key money are determined by reference to nearby market rates.

2. Notes concerning parent companies and major affiliates
There are no applicable items.

Current fiscal year (from October 1, 2009 to September 30, 2010)

1. Transactions with related parties

(1) Transactions with companies submitting consolidated financial statements and related parties

i. Parent companies and major shareholders in companies submitting consolidated financial statements (companies only)

Type	Name of company or individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Officers and major shareholders	Hikari Tsushin Co., Ltd.	Toshima-ku, Tokyo	Capital stock 54,249	Mobile communication business	Owned directly 15.59	Sale of shares in affiliates	Sale of shares in affiliates * Proceeds from sale of shares in affiliates Gain on sale of shares in affiliates	150 117	-----	-----

Consumption tax is not included in transaction amounts for the amounts listed above.

Transaction terms and policies for their decision

Note: Sale value for shares in affiliates is determined after consideration is given to valuations by independent third parties

ii. Officers and major shareholders for companies submitting consolidated financial statements (individuals only)

Type	Name of company or individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related Party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Officers and shareholders	Takehito Hirano	-----	-----	Director and consultant for the company	Owned directly 36.35	Liability guarantees and acceptance of collateral	Liability guarantees and acceptance of collateral *1	3,092	-----	-----
Companies for which officers and their close relatives hold the majority of voting rights	DTA Co., Ltd. *2	Shibuya-ku, Tokyo	Capital stock 10	Real-estate trading	Owned directly 0.25	Acceptance of collateral	Acceptance of collateral *1	1,353	-----	-----
Companies for which officers and their close relatives hold the majority of voting rights	Aplaudo Co., Ltd. *2	Shibuya-ku, Tokyo	Capital stock 33	Real-estate trading	-----	Acceptance of collateral	Acceptance of collateral *1	1,353	-----	-----

Consumption tax is not included in transaction amounts for the amounts listed above.

Transaction terms and policies for their decision

Notes: *1 We receive liability guarantees and/or provisions of collateral for financial loans, and transaction amounts are outstanding guarantees at the end of the term. We do not make payments for guarantee charges.

*2 Company director Takehito Hirano and his close relatives directly hold 100.00% of voting rights.

(2) Transactions with consolidated subsidiaries companies submitting consolidated financial statements and related parties of (companies only)

i. Parent companies and major shareholders in companies submitting consolidated financial statements (companies only)

Type	Name of company or individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Officers and major shareholders	Hikari Tsushin Co., Ltd.	Toshima-ku, Tokyo	Capital stock 54,249	Mobile communication business	Owned directly 15.59	Lending working capital	Capital loans * Capital collection Capital repayments	530 530 27	-----	-----

Consumption tax is not included in transaction amounts for the amounts listed above.

Transaction terms and policies for their decision

Note: These are borrowing and lending transactions by Hikari Tustin Co., Ltd. and East Communication Inc., which were newly made into consolidated subsidiaries during the current fiscal year, and interest-rates have been reasonably determined in consideration of market interest rates. These borrowing and lending transactions were cancelled in April 2010.

ii. Fellow companies

Type	Name of company or individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Companies for which major shareholders (corporations) hold the majority of voting rights on own accounts	Hello Communications Inc. *2	Toshima-ku, Tokyo	Capital stock 85	Call center business	-----	Outsourcing of call center business	Outsourcing *1	1,596	Accounts receivable	187

Consumption tax is not included in transaction amonunts for the amounts listed above, but is included in term-end balances.

Transaction terms and policies for their decision

Notes: *1 Transaction amounts are determined by reference to nearby market rates.

*2 Hikari Tsushin Co., Ltd., a major shareholder for the Company, directly holds 100.00% of voting rights in Hello Communications Inc.

iii. Officers and major shareholders for companies submitting consolidated financial statements (individuals only)

Type	Name of company or Individual	Location	Capital stock (millions of yen)	Description of business or occupation	Proportion of voting rights held (or owned) (%)	Relationship with related Party	Transaction details	Transaction amount (millions of yen)	Subject	Term-end balance (millions of yen)
Companies for which officers and their close relatives hold the majority of voting rights	DTA Co., Ltd. *1	Shibuya-ku, Tokyo	Capital stock 10	Real-estate trading	Owned directly 0.25	Stock trading	Acquisition of investment securities *2 Payments for stock trading	150	Investment securities	131
Companies for which officers and their close relatives hold the majority of voting rights	Aplaudo Co., Ltd. *1	Shibuya-ku, Tokyo	Capital stock 33	Real-estate trading	-----	Stock trading	Acquisition of investment securities *2 Payments for stock trading	150	Investment securities	131
Companies for which officers in major subsidiaries and their close relatives hold the majority of voting rights	D-Solution Co., Ltd. *3	Chiyoda-ku, Tokyo	Capital stock 20	Real-estate trading	-----	Real-estate rental	Real-estate rental fees *4	67	Other (current assets)	3
							Payments for key money *4	-----	Other (current assets)	1
									Other (other investment assets)	1
							Payments for lease deposits *4	-----	Guarantee deposits	36

Consumption tax is not included in transaction amounts for the amounts listed above, but is included in term-end balances.

Transaction terms and policies for their decision

Notes: *1 Company director Takehito Hirano and his close relatives directly hold 100.00% of voting rights.

*2 Acquisition prices for investment securities are determined after consideration is given to market prices.

*3 The real-estate rental transactions listed above were carried for the purpose of use as a dormitory for foreign workers, and are transactions that were formally carried out through D-Solutions Co., Ltd., but were effectively transactions with Interbiz Co., Ltd. (a company owned by Shiro Kaitsuka, representative director of Fullcast Technology Co., Ltd.).

*4 Real-estate rental fees, lease deposits and key money are determined by reference to nearby market rates.

2. Notes concerning parent companies and major affiliates

There are no applicable items.

(Regarding business combination)

Previous fiscal year (from October 1, 2008 to September 30, 2009)

Transactions under common control

(Corporate separation)

After the decisions made at the board of directors meeting held on July 28, 2008 and the extraordinary meeting of shareholders held on September 29, 2008, on October 1, 2008 the Company performed company separation for all operations of its worker dispatch business and its employment placement business, and switched to a pure holding company system.

1. Names and descriptions of business for affected companies, legal form of business combination, names of companies after combination, and overview of transactions, including their purposes

(1) Names and descriptions of business for affected companies

Name of business: worker dispatch business, employment placement business,etc.

Descriptions of business: short-term staffing, contracting, employment placement, etc.

(2) Legal form of business combination

Absorption-type split, with the Company as the split company and our consolidated subsidiary, Fullcast Co., Ltd. (company name changed from Fullcast HR Research Co., Ltd. on October 1, 2008) as the successor company.

(3) Names of companies after combination

Split company: Fullcast Holdings Co., Ltd.

Successor company: Fullcast Co., Ltd.

(4) Overview of transactions, including their purposes

By transitioning to a pure holding company, we have separated decision-making for Group management and execution of work in each business, and by also strengthening our corporate competitiveness by working to enhance corporate governance, and accelerating decision-making for management strategies and strategy implementation, we will promote flexible restructuring of the Group to allow Group business and business categories to respond quickly and appropriately to changes in the environment. We will also target growth for the Group by adopting segment structures with appropriate balance, to establish a strong position as an integrated outsourcing Group.

2. Overview of accounting treatments performed

We perform accounting treatments for “transactions under common control” based on “Accounting Standards for Business combination” (Business Accounting Council, October 31, 2003), “Accounting Standards for Business Separation” (Corporate Accounting Standards, vol. 7, section announced December 27, 2005) and “Application Guideline for Business Combination Accounting Standards and Business Separation Accounting Standards” (Corporate Accounting Standards Application Guideline, vol. 10, section announced November 15, 2007).

(Mergers)

Fullcast Co., Ltd. absorbed Casting Bank, Ltd. and Job Choice Tokai Co., Ltd. on February 1, 2009, and Oneday Job Style Co., Ltd. on May 1, 2009. Although these absorption mergers were mergers among consolidated subsidiaries, and fall under “transactions under common control,” because they are of low importance, they have been omitted from notes.

Current fiscal year (from October 1, 2009 to September 30, 2010)

Transactions under common control

(Mergers)

Fullcast Advance Co., Ltd. absorbed Nisso Co., Ltd. on October 1, 2009. Although this absorption merger was a merger among consolidated subsidiaries, and falls under “transactions under common control,” because it is of low importance, it has been omitted from notes.

Per share information

Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
Net assets per share: 3,357.40 yen Net loss per share: 21,288.47 yen Diluted net income per share for the fiscal year is not reported since we recorded a net loss per share, and there is no outstanding potential stock.	Net assets 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.

Note: The bases for calculation of net income (loss) per share

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

Major subsequent events

Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)
1. Marketable securities submitted as collateral We decided in our board of directors meeting held on October 22, 2009 to submit marketable securities as collateral to ensure we have stable access to short-term loans payable from the four banks we transact with. (1) Objective of the collateral provided To ensure we have stable access to short-term loans payable from the four banks we transact with (2) Type and book-value of assets submitted as collateral 1) Type of assets submitted as collateral: shares of affiliated companies 2) Book-value of assets submitted as collateral: 534 million yen 2. Reduce value of capital and capital reserves, and disposal of retained earnings During our board of directors meeting held on November 13, 2009, we decided to reduce the value of our capital and capital reserves and dispose retained earnings, which we received approval for in our annual general meeting of shareholders held on December 22, 2009, effective on January 31, 2010. (1) Objective of reducing capital and capital reserves, and disposing of retained earnings To eliminate our large aggregated losses, we will respond quickly and flexibly in our capital strategy. (2) Method of reducing capital and capital reserves, and disposing of retained earnings The reduction in capital and capital reserve based on the provisions in Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act is transferred to other capital surplus and then appropriated to the coverage of the deficit based on the provisions in Article 452 of the Companies Act. (3) Amount of reductions in capital and capital reserves 1) Amount of reduction in capital Total capital was reduced by 960,820,000 yen from 3,740,820,000 yen to 2,780,000,000 yen. 2) Amount of reduction in capital reserves Total capital reserves were reduced by 1,176,720,000 yen to 0 yen. (4) Request for disposal of retained earnings From among other capital surplus which occurred due to declines in the amount of capital and capital reserves, 2,130,105,616 yen is appropriated to coverage of the deficit through transfer to retained earnings brought forward.	------------------------------

Consolidated accounting period for the previous fiscal year (From October 1, 2008 to September 30, 2009)	Consolidated accounting period for the current fiscal year (From October 1, 2009 to September 30, 2010)

(Reference) Details of change in amount in the above

	Sep 30, 2009	Reductions in capital, capital reserves
Capital stock	3,740,820,000	(960,820,000)
Legal capital surplus	1,176,720,000	(1,176,720,000)
Other capital surplus	-----	2,137,540,000
Retained earnings broght forward	(2,130,105,616)	-----

	Disposal of retained earnings	Balance of Jan 31, 2010 (planned)
Capital stock	-----	2,780,000,000
Legal capital surplus	-----	-----
Other capital surplus	(2,130,105,616)	7,434,384
Retained earnings brought forward	2,130,105,616	-----

(5) Schedule

November 13, 2009	Board of directors meeting resolution date
December 22, 2009	Annual general meeting of shareholders resolution date
December 25, 2009	Public peremptory notice date for creditors' objections
January 25, 2010	Final deadline for creditors' objections
January 31, 2010	Effective date

5) Consolidated statement schedule

Corporate bonds schedule

There are no applicable items

Schedule of debt

Classification	Balance at the end of the previous term (millions of yen)	Balance at the end of the current term (millions of yen)	Average interest rate (%)	Repayment term
Short-term loans payable	3,011	3,011	1.84	-----
Current portion of long-term loans payable	2,012	1,730	1.52	-----
Lease obligations due within one year	-----	-----	-----	-----
Long-term loans payable (excluding current portion of loans)	2,400	670	1.60	From October 28, 2011 to May 31, 2012
Lease obligations (excluding obligations due within one year)	-----	-----	-----	-----
Other interest-bearing debt	-----	-----	-----	-----
Total	7,423	5,411	-----	-----

Notes: 1. The average weighted interest rate for term-end balance on loans is listed as the average interest rate.

2. Among long-term loans payable (excluding current portion of loans payable), scheduled repayment amounts for the next five years after the consolidated settlement date are as follows.

Schedule repayment amount for fiscal year (from October 1, 2011 to September 30, 2012): 670 million yen

(2) Other

Net sales and other information for each fiscal quarter in the current fiscal year

	First quarter (From Oct 1, 2009 to Dec 31, 2009)	Second quarter (From Jan 1, 2010 to Mar 31, 2010)	Third quarter (From Apr 1, 2010 to June 30, 2010)	Fourth quarter (From July 1, 2010 to Sep 30, 2010)
Net sales (millions of yen)	9,187	8,848	8,695	9,354
Quarterly net income (loss) before income taxes and minority interests (millions of yen)	(357)	187	(1)	691
Quarterly net income (loss) (millions of yen)	(397)	180	(50)	807
Quarterly net income (loss) per share (yen)	(1,030.61)	468.44	(129.19)	2,096.47

2. Financial Statements

(1) Financial statements

1) Balance sheets

(Millions of yen)

	Term 17 (September30, 2009)	Term 18 (September 30, 2010)
Assets		
Current assets		
Cash and deposits	2,536	1,941
Supplies	20	—
Prepaid expenses	※2 9	※2 10
Short-term loans receivable to subsidiaries	1,144	372
Current portion of long-term loans payable to subsidiaries and affiliates	—	60
Accounts receivable-other	※2 78	※2 103
Income taxes receivable	195	28
Other	※2 17	※2 10
Allowance for doubtful accounts	(7)	(4)
Total current assets	3,992	2,520
Noncurrent assets		
Property, plant and equipment		
Buildings	0	42
Accumulated depreciation	(0)	(3)
Buildings, net	0	39
Tools, furniture and fixtures	6	26
Accumulated depreciation	(3)	(6)
Tools, furniture and fixtures, net	3	19
Total property, plant and equipment	3	59
Intangible assets		
Telephone subscription right	0	0
Software	41	31
Other	5	4
Total intangible assets	47	36
Investments and other assets		
Investment securities	824	205
Stocks of subsidiaries and affiliates	※1 2,653	※1 2,592
Long-term loans receivable from subsidiaries and affiliates	—	75
Investments in capital	0	0
Long-term prepaid expenses	0	—
Guarantee deposits	※2 21	※2 45
Insurance funds	32	9
Membership	2	2
Other	—	50
Total investments and other assets	3,532	2,977
Total noncurrent assets	3,582	3,072
Total assets	7,573	5,592

(Millions of yen)

	Term 17 (September30, 2009)	Term 18 (September 30, 2010)
Liabilities		
Current liabilities		
Short-term loans payable	※1 3,011	※1 3,011
Short-term loans payable to subsidiaries and affiliates	108	0
Current portion of long-term loans payable	1,920	1,680
Accounts payable-other	※3 67	※3 67
Accrued expenses	16	11
Income taxes payable	5	1
Accrued consumption taxes	27	9
Deferred tax liabilities	—	0
Deposits received	3	2
Unearned revenue	※3 4	※3 2
Total current liabilities	5,160	4,783
Noncurrent liabilities		
Long-term loans payable	2,350	670
Long-term guarantee deposited	※3 3	※3 37
Deferred tax liabilities	8	2
Total noncurrent liabilities	2,361	709
Total liabilities	7,521	5,492
Net assets		
Shareholders' equity		
Capital stock	3,741	2,780
Capital surplus		
Legal capital surplus	1,177	—
Other capital surplus	—	7
Total capital surpluses	1,177	7
Retained earnings		
Other retained earnings		
Retained earnings brought forward	(2,130)	57
Total earned surpluses	(2,130)	57
Treasury stock	(2,747)	(2,747)
Total shareholders' equity	41	98
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11	2
Total valuation and translation adjustments	11	2
Total net assets	52	100
Total liabilities and net assets	7,573	5,592

2) Profit and loss statement

(Millions of yen)

	Term 17 (From Oct. 1, 2008 To Sep. 30, 2009)	Term 18 (From Oct. 1, 2009 To Sep. 30, 2010)
Operating revenue		
Consulting fee income	※1 1,234	※1 873
Dividends income from subsidiaries and affiliates	957	131
Total operating revenue	2,191	1,004
Operating expenses		
Directors' compensations	111	105
Salaries and bonuses	63	146
Commission fee	※1 349	77
Consulting expenses	61	54
Depreciation	17	12
Other	85	68
Total operating expenses	686	462
Operating income	1,505	542
Non-operating income		
Interest income	※1 49	※1 14
Dividends income	44	11
Real estate rent	※1 41	※1 21
Other	27	10
Total non-operating income	162	57
Non-operating expenses		
Interest expenses	201	109
Depreciation and amortization	—	5
Rent cost of real estate	21	21
Stock issuance cost	4	—
Other	10	12
Total non-operating expenses	236	147
Ordinary income	1,430	452
Extraordinary income		
Gain on sales of noncurrent assets	※2 203	※2 —
Gain on sales of investment securities	—	7
Gain on sales of subsidiaries and affiliates' stocks	637	175
Reversal of allowance for doubtful accounts	6	4
Total extraordinary income	845	186
Extraordinary loss		
Loss on sales of noncurrent assets	※3 92	※3 —
Loss on retirement of noncurrent assets	※4 4	※4 0
Loss on sales of investment securities	13	—
Loss on sales of stocks of subsidiaries and affiliates	1,159	—
Loss on valuation of investment securities	5	543
Loss on valuation of stocks of subsidiaries and affiliates	1,019	21
Loss on insurance cancellation	77	3
Head office transfer cost	※5 7	※5 13
Loss on loan write-off	※6 950	※6 —
Loss on the transfer of receivables	※7 950	※7 —
Total extraordinary losses	4,277	579

(Millions of yen)

	Term 17 (From Oct. 1, 2008 To Sep. 30, 2009)	Term 18 (From Oct. 1, 2009 To Sep. 30, 2010)
Income (loss) before income taxes	(2,001)	58
Income taxes-current	1	1
Income taxes-deferred	—	0
Total income taxes	1	1
Net income (loss)	(2,002)	57

3) Statements of shareholders' equity

(Millions of yen)

	Term 17 (From Oct. 1, 2008 To Sep. 30, 2009)	Term 18 (From Oct. 1, 2009 To Sep. 30, 2010)
Shareholders' equity		
Capital stock		
Balance at the end of previous period	3,464	3,741
Changes of items during the period		
Issuance of new shares	277	―
Capital reduction	―	(961)
Total changes of items during the period	277	(961)
Balance at the end of current period	3,741	2,780
Capital surplus		
Legal capital surplus		
Balance at the end of previous period	900	1,177
Changes of items during the period		
Issuance of new shares	277	―
Transfer to other capital surplus from legal capital surplus	―	(1,177)
Total changes of items during the period	277	(1,177)
Balance at the end of current period	1,177	―
Other capital surplus		
Balance at the end of previous period	2,006	―
Changes of items during the period		
Decrease by corporate division-split-off type	(2,006)	―
Capital reduction	―	961
Transfer to other capital surplus from legal capital surplus	―	1,177
Deficit disposition	―	(2,130)
Total changes of items during the period	(2,006)	7
Balance at the end of current period	―	7
Total capital surplus		
Balance at the end of previous period	2,906	1,177
Changes of items during the period		
Decrease by corporate division-split-off type	(2,006)	―
Issuance of new shares	277	―
Capital reduction	―	961
Transfer to other capital surplus from legal capital surplus	―	―
Deficit disposition	―	(2,130)
Total changes of items during the period	(1,729)	(1,169)
Balance at the end of current period	1,177	7

	Term 17 (From Oct. 1, 2008 To Sep. 30, 2009)	Term 18 (From Oct. 1, 2009 To Sep. 30, 2010)
		(Millions of yen)
Retained earnings		
Other retained earnings		
General reserve		
Balance at the end of previous period	500	—
Changes of items during the period		
Decrease by corporate division-split-off type	(500)	—
Total changes of items during the period	(500)	—
Balance at the end of current period	—	—
Retained earnings brought forward		
Balance at the end of previous period	1,606	(2,130)
Changes of items during the period		
Decrease by corporate division-split-off type	(1,734)	—
Deficit disposition	—	2,130
Net income (loss)	(2,002)	57
Total changes of items during the period	(3,736)	2,187
Balance at the end of current period	(2,130)	57
Total retained earnings		
Balance at the end of previous period	2,106	(2,130)
Changes of items during the period		
Decrease by corporate division-split-off type	(2,234)	—
Deficit disposition	—	2,130
Net income (loss)	(2,002)	57
Total changes of items during the period	(4,236)	2,187
Balance at the end of current period	(2,130)	57
Treasury stock		
Balance at the end of previous period	(2,747)	(2,747)
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	(2,747)	(2,747)

(Millions of yen)

	Term 17 (From Oct. 1, 2008 To Sep. 30, 2009)	Term 18 (From Oct. 1, 2009 To Sep. 30, 2010)
Total shareholders' equity		
Balance at the end of previous period	5,730	41
Changes of items during the period		
Decrease by corporate division-split-off type	(4,240)	—
Issuance of new shares	553	—
Capital reduction	—	—
Deficit disposition	—	—
Net income (loss)	(2,002)	57
Total changes of items during the period	(5,689)	57
Balance at the end of current period	41	98
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	(2)	11
Changes of items during the period		
Net changes of items other than shareholders' equity	13	(9)
Total changes of items during the period	13	(9)
Balance at the end of current period	11	2
Total valuation and translation adjustments		
Balance at the end of previous period	(2)	11
Changes of items during the period		
Net changes of items other than shareholders' equity	13	(9)
Total changes of items during the period	13	(9)
Balance at the end of current period	11	2
Total net assets		
Balance at the end of previous period	5,728	52
Changes of items during the period		
Decrease by corporate division-split-off type	(4,240)	—
Issuance of new shares	553	—
Net income (loss)	(2,002)	57
Net changes of items other than shareholders' equity	13	(9)
Total changes of items during the period	(5,676)	48
Balance at the end of current period	52	100

Concerning notes about going concern assumption

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
The operating environment surrounding our Company remains difficult with the sharp slowing in the Japanese economy and labor market, compounded by the cease order levied against Fullcast Co., Ltd. by the Tokyo Labor Bureau. Consequently during the business year under review our consolidated sales declined by a large 42.1% year-over-year and we incurred an operating loss of 682 million yen. Against this backdrop and as of the announcement of our earnings results, we are in negotiations with financial institutions to revise the terms of our loans. With these conditions in mind, we recognize the uncertainty associated with the going concern assumption assigned to our Company. And to resolve these conditions, we seek to quickly restore stability to our management through sales, general and administrative cost reductions, rationalization of management including consolidation of subsidiary offices and reductions in staff numbers of our Group. Furthermore we will promote a strategy of selection and concentration on key business segments, use capital raised through the sale of subsidiaries' shares to repay debt and to be used as working capital, and implement a third party issuance of new shares to improve our financial position. By implementing these measures we seek to fortify our management base while giving the highest priority to compliance. Our Group believes that through the implementation of the various measures mentioned above we can normalize operating conditions and allay concerns over our Company due to the attachment of the going concern assumption. However at the current point in time we recognize the uncertainty surrounding our ability to achieve our earnings projections. Given the above factors, we will create our financial statements given the assumption of our standing as a going concern, but the uncertainties arising from our status as a going concern are not reflected in our financial statements.	――――――

Significant accounting policies

Item	Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
1. Valuations standards and methods for marketable securities	(1) Shares in subsidiaries and affiliates Cost approach using a moving-average method (2) Other marketable securities Items with market value Market value method based on market prices on the settlement date (all valuation differences are reported as a component of net assets, and cost of sales is calculated using a moving-average method) Items without market value Cost approach using a moving-average method	(1) Shares in subsidiaries and affiliates Same as on the left (2) Other marketable securities Items with market value Same as on the left Items without market value Same as on the left
2. Valuations standards and methods for derivatives, etc.	Derivatives Market value method	Derivatives Same as on the left
3. Valuations standards and methods for inventories	Valuation standards are based on a cost approach (a book-value write-down based on decreased profitability). Supplies First-in, first-out method	--------------------
4. Depreciation method for fixed assets	(1) Property, plant and equipment (excluding lease assets) Declining-balance method However, for buildings acquired after April 1, 1998 (excluding accompanying facilities), we use a straight-line method Useful lives for majordetails are as follows. Buildings: 3-56 years Tools, furniture and fixtures: 4-20 years (2) Intangible assets (excluding lease assets) Software For in-house use, we use a straight-line method based on the period of availability within the company (5 years) Other Straight-line method (3) Lease assets For lease assets in non-ownership-transfer finance lease transactions, we use a straight-line method assuming a residual value of zero, and with useful life as the lease term.	(1) Property, plant and equipment (excluding lease assets) Declining-balance method Useful lives for majordetails are as follows. Buildings: 3-15 years Tools, furniture and fixtures: 3-20 years (2) Intangible assets (excluding lease assets) Software Same as on the left Other Same as on the left (3) Lease assets ---------------------

Item	Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
5. Disposal method for deferred assets	Stock Issuance Treated as full value at the point of expenditure.	--------------------
6. Standards for recording reserves	(1) Allowance for doubtful accounts To prepare for credit losses such as losses from accounts receivable and loans, we examine the collectability of general claims using a loan-loss ratio, and examine certain claims, such as those with default possibility, individually, and record the uncollectable amounts	(2) Allowance for doubtful accounts Same as on the left
7. Hedge accounting methods	1) Hedge accounting methods Based on deferred hedging Also, among interest-rate swaps, relevant special treatments are used for transactions that are subject to “Special Treatments for Interest-Swaps” (Accounting Standards Annotations for Financial Instruments (Note 14)). 2) Hedge methods and hedged items Hedge methods applying hedge accounting, and hedged items, are as follows. Hedge methods: interest swap Hedged items: interest on borrowing based on a variable interest rate 3) Hedging policy We perform interest-swap transactions with the aim of hedging against interest-rate risks. Based on company regulations, these transactions are carried out by the relevant department, and internal auditors verify the validity of procedures and transactions for individual contracts. 4) Methods for evaluating the effectiveness of hedges Interest-swap transactions Regarding hedged items and hedge methods, we examine hedge effects for each individual transaction at the end of each fiscal year (including the end of fiscal quarters), but where important factors such as the principal, interest rate and term are identical, we skip this verification for hedged items and hedge methods.	1) Hedge accounting methods Same as on the left 2) Hedge methods and hedged items Same as on the left 3) Hedging policy Same as on the left 4) Method for evaluating the effectiveness of hedging Same as on the left
8. Significant other items for preparing financial statements	Accounting treatments for consumption tax, etc. Accounting treatments for consumption tax and local consumption tax are based on tax-excluded methods.	Accounting treatments for consumption tax, etc. Same as on the left

Changes in significant accounting policies

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
3. Application of financial standards for valuation of inventories As of the current fiscal year, we are applying "Accounting Standards for Valuation of Inventories" (Corporate Accounting Standards, vol. 9, July 5, 2006), and have switched from using a cost approach to a cost approach (a book-value write-down based on decreased profitability) for our valuation standards. This will not have any impact on earnings. 4. Application of accounting standards for lease transactions As of the current fiscal year, we are applying "Accounting Standards for Lease Transactions" (Corporate Accounting Standards, vol. 13 (June 17, 1993 (ASBJ, the First Session), amended on March 30, 2007), as well as "Application Guideline for Accounting Standards for Lease Transactions" (Corporate Accounting Standards Application Guideline, vol. 16 (January 18, 1994 (the Japanese Institute of Certified Public Accountants and the Accounting Systems Committee), amended March 30, 2007), and use accounting treatments used in standard sales transactions. Also, regarding methods used for depreciation of lease assets used in non-ownership-transfer finance lease transactions, we treat useful life as being the lease period, and employ a straight-line method, assuming a residual value of zero. This will not have any impact on earnings.	--------------------

Changes in presentation methods

Term 17 (From October 1, 2008 to September 30, 2009)	Term 18 (From October 1, 2009 to September 30, 2010)
(Plofit and loss statements) On October 1, 2008, the Company performed business separation, and moved to a pure holding company system. As a result, our corporate name was changed to Fullcast Holdings Co., Ltd. on the same date, and all operations of our worker dispatch business and our employment placement business, which we run prior to the separation, have been taken over by Fullcast Co., Ltd. (formerly Fullcast HR Research Institute Co., Ltd.), which is a wholly-owned subsidiary of the Company. Accordingly, the Company's main business is now the management for the Group companies and the consultation fee and dividends from those companies are recorded as operating revenue and the corresponding expenses as operating expenses since that date.	--------------------

Notes on non-consolidated financial statements

Notes on balance sheet

(Millions of yen)

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
*1. ――――――――	*1. Secured assets and secured obligations As security for the 3,011 million yen short-term loans payable, 534 million yen is provided among subsidiaries and affiliates.
*2. The liabilities extended of affiliated companies outside the scope of our itemization are 87 million yen, and exceeds 1% of the total of our assets.	*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.
*3 ――――――――	*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.
*4 The Company signed an agreement for overdraft with 2 banks to procure operating capital efficiently. The unused borrowing balance involved in the agreement for overdraft at the end of this consolidated fiscal year is as follows: Limit of overdraft account 1,117 Borrowing 1,117 Balance —	*4 .The Company signed an agreement for overdraft with 1 bank to procure operating capital efficiently. The unused borrowing 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 —

Notes on profit and loss statement

(Millions of yen)

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
*1.Various items which fall outside the scope of our itemized accounts are as follows. Management guidance fees 1,234 Commissions paid 307 Interest received 46 Real estate rent fees 27	*1.Various items which fall outside the scope of our itemized accounts are as follows. Management guidance fees 873 Interest received 13 Real estate rent fees 21
*2. Significant components of gain on sales of noncurrent assets Land 183 Buildings 20 Tools, furniture and fixtures 0 Total 203	*2. ――――――
*3. Significant components of loss on sales of noncurrent assets Land 73 Buildings 19 Total 92	*3. ――――――
*4. Significant components of loss on disposal of noncurrent assets Tools, furniture and fixtures 0 Software 4 Total 4	*4. Significant components of loss on disposal of noncurrent assets Buildings 0 Tools, furniture and fixtures 0 Total 0
*5. Head office transfer cost was due to the move of the head office, and primarily includes refurbishment expenses and losses on sale of noncurrent assets.	*5. Same as on the left.
*6. Debt waivers are losses resulting from sales of Fullcast Factory Co., Ltd. and Fullcast Central Co., Ltd. to the third parties.	*6. ――――――
*7. Transfer of debt is losses resulting from the sale of Fullcast Finance Co., Ltd. to the third party.	*7. ――――――
8. Amount of depreciation Property, plant and equipment 10 Intangible assets 6	8. Amount of depreciation Property, plant and equipment 7 Intangible assets 11

Notes on statement of changes shareholders equity

Term 17 (October 1, 2008 to September 30, 2009)

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

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

Term 18 (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

Lease transaction

There are no applicable items.

Marketable securities

Term 17 (As of September 30, 2009)

Subsidiary stocks and affiliate stocks with market value (Millions of yen)

Classification	Balance sheet amount	Market value	Difference
(1) Subsidiary stocks	534	723	189
(2) Affiliate stocks	—	—	—
Total	534	723	189

Term 18 (As of September 30, 2010)

(Additional information)

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

Subsidiary stocks and affiliate stocks with market value (Millions of yen)

Classification	Balance sheet amount	Market value	Difference
(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.

(Millions of yen)

Classification	Balance sheet amount
(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.

Notes on tax-effect accounting

(Millions of yen)

Term 17
(October 1, 2008 to September 30, 2009)

1. Details of deferred tax assets and liabilities, by major causal factors

Loss on revaluation of shares in affiliates	661
Loss carried forward	2,060
Impairment loss	13
Loss on revaluation of investments in securities	34
Other	14
Subtotal of deferred tax assets	2,782
Valuation reserve	(2,782)
Total deferred tax assets	-----
Other valuation differences on marketable securities	8
Subtotal of deferred tax liabilities	8
Net value of deferred tax liabilities	(8)

2. Details of differences between effective tax rate and burden rate for income tax after tax-effect accounting is applied, by major causal items
   Not listed, as we recorded a net loss before income taxes for Term 17.

Term 18
(October 1, 2009 to September 30, 2010)

1. Details of deferred tax assets and liabilities, by major causal factors

Deferred tax assets	
Loss on revaluation of shares in affiliates	549
Loss carried forward	1,969
Impairment loss	4
Loss on revaluation of investments in securities	255
Other	4
Subtotal of deferred tax assets	2,781
Valuation reserve	(2,781)
Total deferred tax assets	-----
Deferred Tax Liabilities	
Other valuation differences on marketable securities	(2)
Other	0
Subtotal of deferred tax liabilities	(2)
Net value of deferred tax liabilities	(2)

1. Details of differences between effective tax rate and burden rate for income tax after tax-effect accounting is applied, by major causal items

Effective tax rate	40.7%
(Adjusted)	
Disallowable expenses	6.6
Dividends received	(47.4)
Per-capita residential tax	1.5
Loss carried forward	151.2
Valuation reserve	(150.6)
Other	0.2
Burden rate for income tax after tax-effect accounting is applied	1.8%

Regarding business combinations

Term 17 (from October 1, 2008 to September 30, 2009)

(Business separation)

After the decisions made at the board of directors meeting held on July 28, 2008 and the extraordinary meeting of shareholders held on September 29, 2008, on October 1, 2008 the Company performed business separation for all operations of its worker dispatch business and its employment placement business, and switched to a pure holding company system.

1. Names and descriptions of business for affected companies, legal form of business combination, names of companies after combination, and overview of transactions, including transaction purposes

(1) Names and descriptions of business for affected companies

Name of business: worker dispatch business, employment placement business, etc.

Descriptions of business: short-term staffing, contracting, employment placement, etc.

(2) Legal Form of business combination

Absorption-type split, with the Company as the split company and our consolidated subsidiary, Fullcast Co., Ltd. (company name changed from Fullcast HR Research Co., Ltd. on October 1, 2008) as the successor company.

(3) Names of companies after combination

Split company: Fullcast Holdings Co., Ltd.

Successor company: Fullcast Co., ltd.

(4) Overview of transactions, including transaction purposes

By switching to a pure holding company, we have separated decision-making for Group management and execution of work in each business, and by also strengthening our corporate competitiveness by working to enhance corporate governance, and accelerating decision-making for management strategies and strategy implementation, we will promote flexible restructuring of the Group to allow Group business and business categories to respond quickly and appropriately to changes in the environment. We will also target growth for the Group by adopting segment structures with appropriate balance, to establish a strong position as an integrated outsourcing Group.

2. Overview of accounting treatments performed

We perform accounting treatments for “transactions under common control” based on “Accounting Standards for Business Combination” (Business Accounting Council, October 31, 2003), “Accounting Standards for Business Separation” (Corporate Accounting Standards, vol. 7, section announced December 27, 2005) and “Application Guideline for Business Combination Accounting Standards and Business Separation Accounting Standards” (Corporate Accounting Standards Application Guideline, vol. 10, section announced November 15, 2007).

Term 18 (from October 1, 2009 to September 30, 2010)

There are no applicable items.

Per share information

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
Net assets per share 135.63 yen Net loss per share 6,204.45 yen Diluted net income per share for the fiscal year is not reported since we recorded a net loss per share, and there is no outstanding potential stock.	Net assets per share 260.91 yen Net income per share 148.88 yen Diluted net income per share for the fiscal year is not reported since there is no outstanding potential stock.

Note: The bases for calculation of net income (loss) per share

Item	Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
Net income (loss) (millions of yen)	(2,002)	57
Net income (loss) (basic) (millions of yen)	(2,002)	57
Net income not available to common stock (millions of yen)	-----	-----
Average number of common stock outstanding during the period (shares)	322,727	384,864

Major subsequent events

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
1. Marketable securities submitted as collateral We decided in our board of directors meeting held on October 22, 2009 to submit marketable securities as collateral to ensure we have stable access to short-term loans payable from the four banks we transact with. (1) Objective of the collateral provided Use as collateral to ensure we have stable access to short-term loans payable from the four banks we transact with (2) Type and book-value of assets submitted as collateral 1) Type of assets submitted as collateral: shares of affiliated companies 2) Book-value of assets submitted as collateral: 534 million yen 2. Reduce value of capital and capital reserves, and disposal of retained earnings During our board of directors meeting held on November 13, 2009, we decided to reduce the value of our capital and capital reserves and dispose retained earnings, which we received approval for in our annual general meeting of shareholders held on December 22, 2009, and began implementing on January 31, 2010. (1) Objective of reduction in capital and capital reserves, and disposing of retained earnings To eliminate our large aggregated losses, we will respond quickly and flexibly in our capital strategy. (2) Method of reducing capital and capital reserves, and disposing of retained earnings The reduction in capital and capital reserve based on the provisions in Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act is transferred to other capital surplus and then appropriated to the coverage of the deficit based on the provisions in Article 452 of the Companies Act. (3) Amount of reductions in capital and capital reserves 1) Amount of reduction in capital Total capital was reduced by 960,820,000 yen from 3,740,820,000 yen to 2,780,000,000 yen. 2) Amount of reduction in capital reserves Total capital reserves were reduced by 1,176,720,000 yen to 0 yen. (4) Request for disposal of retained earnings From among other capital surplus which occurred due to declines in the amount of capital and capital reserves, 2,130,105,616 yen is appropriated to coverage of the deficit through transfer to retained earnings brought forward.	-----------------------------

Term 17 (October 1, 2008 to September 30, 2009)	Term 18 (October 1, 2009 to September 30, 2010)
(Reference) Details of change in amount in the above	

	Sep 30, 2009	Reductions in capital, capital reserves
Capital stock	3,740,820,000	(960,820,000)
Legal capital surplus	1,176,720,000	(1,176,720,000)
Other capital surplus	-----	2,137,540,000
Retained earnings brought forward	(2,130,105,616)	-----

	Disposal of Retained Earnings	Balance of Jan 31, 2010 (planned)
Capital stock	-----	2,780,000,000
Legal capital surplus	-----	-----
Other capital surplus	(2,130,105,616)	7,434,384
Retained earnings brought forward	2,130,105,616	-----

(5) Schedule

November 13, 2009	Board of directors meeting resolution date
December 22, 2009	Annual general meeting of shareholders resolution date
December 25, 2009	Public peremptory notice date for creditors' objections
January 25, 2010	Final deadline for creditors' objections
January 31, 2010	Effective date

4) Statement schedule

Schedule of marketable securities

Shares

Brand	Number of shares (shares)	Balance sheet amount (millions of yen)
(Investment securities)		
(Other securities)		
Telecom Service Co., Ltd.	2,334	150
Race Inc.	570	20
HS Assist Co., Ltd.	67	10
Neo Career Co., Ltd.	250	6
Saint-Care Holding Corporation	120	6
Toyoda Sankyo Co., Ltd.	35	5
The Bank of Yokohama, Ltd.	9,000	4
eAMA Co., Ltd.	140	2
Last Resort, Inc.	480	1
e-LogiT Co., Ltd.	50	1
Other (1 brand)	60	0
Total	13,106	205

Schedule of property, plant and equipment

Type of asset	Balance at end of last year (millions of yen)	Increase during current year (millions of yen)	Decrease during current year (millions of yen)	Balance at end of current year (millions of yen)	Accumulated depreciation or amortization at end of current year (millions of yen)	Amortization during current year (millions of yen)	Balance due at end of current year (millions of yen)
Property, plant and equipment							
Buildings	0	42	0	42	3	3	39
Tools, furniture and fixtures	6	21	1	26	6	4	19
Total property, plant and equipment	7	63	2	68	9	7	59
Intangible assets							
Telephone rights	0	-----	-----	0	-----	-----	-----
Software	51	-----	-----	51	20	10	31
Other	8	-----	-----	8	4	1	4
Total intangible assets	59	-----	-----	59	23	11	36
Long-term prepaid expenses	0	-----	0	-----	-----	0	-----
Deferred assets							
-----	-----	-----	-----	-----	-----	-----	-----
Total deferred assets	-----	-----	-----	-----	-----	-----	-----

Notes: Major details included among increase during the current year are as follows

Buildings: 42 million yen, increase in equipment for new premises due to transfer of head office

Tools, furniture and fixtures: 21 million yen, increase in fixtures for new premises due to transfer of head office

Schedule of allowances

Classification	Balance at End of last year (millions of yen)	Increase during current year (millions of yen)	Decrease during current year (Purpose of use) (millions of yen)	Decrease during current year (Other) (millions of yen)	Balance at end of current year (millions of yen)
Allowance for doubtful accounts (current assets)	7	4	-----	7	4

Note: Details for “Allowance for doubtful accounts (current assets) under “decrease during current year (other)” indicate reversal due to latency.

(2) Details of major assets and liabilities

a. Assets section

i. Cash and deposits

Classification	Amount (millions of yen)
Cash	-----
Type of deposit	
Current account	25
Savings account	1,318
Term deposit account	597
Separate deposits	0
Subtotal	1,941
Total	1,941

ii. Short-term loans to affiliates

Other party	Amount (millions of yen)
Fullcast Marketing Co., Ltd.	350
Top Spot Co., Ltd.	20
Fullcast Business Support Co., Ltd.	3
Fullcast Co., Ltd.	0
Total	372

iii. Shares in affiliates

Other party	Amount (millions of yen)
Fullcast Co., Ltd.	1,097
Fullcast Advance Co., Ltd.	617
Fullcast Technology Co., Ltd.	534
Fullcast Marketing Co., Ltd.	169
Top Spot Co., Ltd.	166
Other	9
Total	2,592

b. Liabilities section

i. Short-term loans

Lender	Amount (millions of yen)
Mizuho Bank, Ltd.	1,353
Mitsubishi Tokyo UFJ Bank, Ltd.	569
The Bank of Yokohama, Ltd.	548
The Sumitomo Trust & Banking Co., Ltd.	541
Total	3,011

ii. Current portion of long-term loans payable

Lender	Amount (millions of yen)
Mizuho Bank, Ltd.	450
Risona Bank, Ltd.	300
The Bank of Yokohama, Ltd.	250
The Sumitomo Trust & Banking Co., Ltd.	250
Sumitomo Mitsui Banking Corporation	200
Nippon Life Insurance Company	120
Meiji Yasuda Life Insurance Company	60
The Bank of Shizuoka, Ltd.	50
Total	1,680

iii. Long-term loans

Lender	Amount (millions of yen)
Mizuho Bank, Ltd.	200
Risona Bank, Ltd.	125
The Bank of Yokohama, Ltd.	100
The Sumitomo Trust & Banking Co., Ltd.	100
Sumitomo Mitsui Banking Corporation	100
Meiji Yasuda Life Insurance Company	45
Total	670

(2) Other

There are no applicable items.

Part 6 Overview of the Shares of Company Affairs

Business year	From October 1, to September 30
Annual general meeting of shareholders	During December
Reference date	September 30
Reference date for dividends of surplus	March 31, September 30
Number of shares per unit	-----
Purchase of odd-lot shares Handling position Administrator of shareholder registry Agency office Negotiation commission	 ----- ----- ----- -----
Public announcement method	Announcements by the Company are made through electronic announcements. However, where it is not possible to make announcements through electronic announcements, or where other unavoidable circumstances arise, we list announcements in Nihon Keizai Shimbun. Details about electronic announcements are contained on our homepage (http://www.fullcastholdings.co.jp).
Benefits to shareholders	N/A

Part 7 Reference Information on Submitting Companies

1. Information on Parent Companies of Submitting Companies

The Company does not have any parent companies

2. Other Reference Information

In the period from the start of the 18 business year until the submission date for annual securities reports, the following documents were submitted.

(1) Annual securities report, attached documents and confirmation notes

Business year: Term 17 (from October 1, 2008 to September 30, 2009), submitted to the Director General of the Kanto Regional Financial Bureau on December 24, 2009

(2) Amendment report and confirmation for annual securities report

Business year: Term 17 (from October 1, 2008 to September 30, 2009), submitted to the Director General of the Kanto Regional Financial Bureau on December 3, 2010

(3) Internal control report and attached documents

Submitted to the Director General of the Kanto Regional Financial Bureau on December 24, 2009

(4) Quarterly reports and confirmation notes

Term 18, First quarter (from October 1, 2009 to December 31, 2009): submitted to the Director General of the Kanto Regional Financial Bureau on February 12, 2010

Term 18, Second quarter (from January 1, 2010 to March 31, 2010): submitted to the Director General of the Kanto Regional Financial Bureau on May 14, 2010

Term 18, Third quarter (from April 1, 2010 to June 30, 2010): submitted to the Director General of the Kanto Regional Financial Bureau on August 13, 2010

(5) Extraordinary report

Extraordinary report based on the provisions of Part 5, Paragraph 4 of Article 24 of the Financial Instruments and Exchange Act and Paragraph 2, Item 3 of Article 19 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (changes in specified subsidiaries): submitted to the Director General of the Kanto Regional Financial Bureau on January 8, 2010

Extraordinary report based on the provisions of Part 5, Paragraph 4 of Article 24 of the Financial Instruments and Exchange Act and Paragraph 2, Items 12 and 19 of Article 19 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (events significantly affecting financial position, operating results and cash flow status): submitted to the Director General of the Kanto Regional Financial Bureau on February 8, 2010

Extraordinary report based on the provisions of Part 5, Paragraph 4 of Article 24 of the Financial Instruments and Exchange Act and Paragraph 2, Item 3 of Article 19 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (changes in specified subsidiaries): submitted to the Director General of the Kanto Regional Financial Bureau on October 4, 2010

Extraordinary report based on the provisions of Paragraph 2, Item 9-2 of Article 19 of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc. (resolution at shareholders meeting): submitted to the Director General of the Kanto Regional Financial Bureau on December 24, 2010

Section 2　Information on Guaranty Companies of Submitting Companies

There are no applicable items.

Audit Reports and Internal Control Audit Reports by Independent Auditors

December 22, 2009

Fullcast Holdings Co., Ltd.
Dear board members,

KPMG AZSA LLC

Designated member Managing partner	Certified public accountant	Akihiro Otani
Designated member Managing partner	Certified public accountant	Katsumi Hinohara

<Financial statement audits>

To perform audit certification based on the provisions of Part 2, Paragraph 1 of Article 193 of the Financial Instruments and Exchange Act, we have audited Fullcast Holdings Co, Ltd.'s consolidated financial statements for the fiscal year from October 1, 2008 to September 30, 2009, as listed in "Financial Situation" including, namely, consolidated balance sheets, consolidated profit and loss statement, consolidated statements of shareholders' equity, consolidated cash flow statement and consolidated statement schedule. These consolidated financial statements are in the responsibility of the Company's management. Our responsibility is to express an opinion on consolidated financial statements from an independent position.

We performed audits based on auditing standards generally accepted in Japan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. Audits are carried out on a test basis, and assess displays contained in consolidated financial statements as a whole, including evaluations of accounting policies and application methods used by managers, as well as estimates made by managers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material aspects, the consolidated financial position of Fullcast Holdings Co., Ltd. and its consolidated subsidiaries at September 30, 2009, and the consolidated operating results and its cash flows for the years in the period ended September 30, 2009, based on auditing standards generally accepted in Japan.

Additional information

1. As stated in "Concerning notes about going concern assumption," the operating environment surrounding our Company remains difficult with the sharp slowing in the Japanese economy and labor market, compounded by the cease order levied against Fullcast Co., Ltd. by the Tokyo Labor Bureau. Consequently during the year under review our consolidated sales declined by a large 42.1% year-over-year and we incurred an operating loss of 682 million yen. Against this backdrop, we are in negotiations with financial institutions to revise the terms of our loans. With these conditions in mind, we recognize the uncertainty associated with the going concern assumption assigned to our Company. Countermeasures for these conditions, and reasons for the acknowledged uncertainty, are outlined in notes. We will create our consolidated financial statements given the assumption of our standing as a going concern, but the uncertainties arising from our status as a going concern are not reflected in our financial statements.
2. As detailed in Major Subsequent Events, the Company decided to reduce capital and capital reserve, and to dispose of surplus, at the board of directors meeting held on November 13, 2009 and the annual general meeting of shareholders held on December 22, 2009.
3. As detailed in Major Subsequent Events, the Company decided to pledge collateral in marketable securities at

the board of directors meeting held on October 22, 2009, and has since carried this out.

<Internal control audits>

To perform audit certification based on the provisions of Part 2, Paragraph 2 of Article 193 of the Financial Instruments and Exchange Act, we have audited Fullcast Holdings Co, Ltd.'s Internal Control Report as of September 30, 2009. The design and operation of the internal control over financial reporting and the preparation of the Internal Control Report are the responsibility of the Company's management. Our responsibility is to independently express an opinion on the Internal Control Report based on our audit. The internal control over financial reporting may not completely prevent or detect financial statement misstatements.

We conducted our internal control audit based on auditing standards for internal control over financial reporting generally accepted in Japan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the Internal Control Report is free of material misstatement. Our internal control audit is performed on a test basis and includes evaluating the appropriateness of the scope, procedures and result of the assessment determined and presented by management, and evaluating the overall Internal Control Report presentation. We believe that our internal control audit provides a reasonable basis for our opinion.

In our opinion, the Internal Control Report, in which Fullcast Holdings Co., Ltd. states that the internal control over financial reporting was effective as of September 30, 2009, presents fairly, in all material respects, the assessment of the internal control over financial reporting based on the assessment standards for internal control over financial reporting generally accepted in Japan.

There are no vested interests between the Company and the audit corporation or its managing partners that are required to be stated under the Certified Public Accountants Act.

Notes: *1. The above is a computerized version of items listed in the original audit report, which is stored separately by the Company.

*2. XBRL data is not included in the scope of consolidated financial statements.

Audit Reports and Internal Control Audit Reports by Independent Auditors

December 22, 2010

Fullcast Holdings Co., Ltd.
Dear board members,

KPMG AZSA LLC

Designated member Managing partner — Certified public accountant — Akihiro Otani

Designated member Managing partner — Certified public accountant — Katsumi Hinohara

<Financial statement audits>

To perform audit certification based on the provisions of Part 2, Paragraph 1 of Article 193 of the Financial Instruments and Exchange Act, we have audited Fullcast Holdings Co, Ltd.'s consolidated financial statements for the fiscal year from October 1, 2009 to September 30, 2010, as listed in "Financial Situation" including, namely, consolidated balance sheets, consolidated profit and loss statement, consolidated statements of shareholders' equity, consolidated cash flow statement and consolidated statement schedule. These consolidated financial statements are in the responsibility of the Company's management. Our responsibility is to express an opinion on consolidated financial statements from an independent position.

We performed audits based on auditing standards generally accepted in Japan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. Audits are carried out on a test basis, and assess displays contained in consolidated financial statements as a whole, including evaluations of accounting policies and application methods used by managers, as well as estimates made by managers. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material aspects, the consolidated financial position of Fullcast Holdings Co., Ltd. and its consolidated subsidiaries at September 30, 2010, and the consolidated operating results and its cash flows for the years in the period ended September 30, 2010, based on auditing standards generally accepted in Japan.

<Internal Control Audits>

To perform audit certification based on the provisions of Part 2, Paragraph 2 of Article 193 of the Financial Instruments and Exchange Act, we have audited Fullcast Holdings Co, Ltd.'s Internal Control Report as of September 30, 2010. The design and operation of the internal control over financial reporting and the preparation of the Internal Control Report are the responsibility of the Company's management. Our responsibility is to independently express an opinion on the Internal Control Report based on our audit. The internal control over financial reporting may not completely prevent or detect financial statement misstatements.

We conducted our internal control audit based on auditing standards for internal control over financial reporting generally accepted in Japan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the Internal Control Report is free of material misstatement. Our internal control audit is performed on a test basis and includes evaluating the appropriateness of the scope, procedures and result of the assessment determined and presented by management, and evaluating the overall Internal Control Report presentation. We believe that our internal control audit provides a reasonable basis for our opinion.

In our opinion, the Internal Control Report, in which Fullcast Holdings Co., Ltd. states that the internal control over financial reporting was effective as of September 30, 2010, presents fairly, in all material respects, the assessment of the internal control over financial reporting based on the assessment standards for internal control over financial reporting generally accepted in Japan.

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Audit Reports by Independent Auditors

December 22, 2009

Fullcast Holdings Co., Ltd.
Dear board members,

KPMG AZSA LLC

Designated member Managing partner	Certified public accountant	Akihiro Otani
Designated member Managing partner	Certified public accountant	Katsumi Hinohara

<Financial statement audits>

To perform audit certification based on the provisions of Part 2, Paragraph 1 of Article 193 of the Financial Instruments and Exchange Act, we have audited Fullcast Holdings Co, Ltd.'s financial statements for the business year of Term 17, from October 1, 2008 to September 30, 2009, as listed in "Financial Situation" including, namely, balance sheets, income statements, statements of shareholders' equity, and statement schedule. These financial statements are in the responsibility of the Company's management. Our responsibility is to express an opinion on financial statements from an independent position.

We performed audits based on auditing standards generally accepted in Japan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Audits are carried out on a test basis, and assess displays contained in financial statements as a whole, including evaluations of accounting policies and application methods used by managers, as well as estimates made by managers. We believe that our audits provide a reasonable basis for our opinion.

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Additional Information

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Audit reports by independent auditors

December 22, 2010

Fullcast Holdings Co., Ltd.
Dear board members,

KPMG AZSA LLC

Designated member Certified public accountant Akihiro Otani
Managing partner

Designated member Certified public accountant Katsumi Hinohara
Managing partner

<Financial Statement Audits>

To perform audit certification based on the provisions of Part 2, Paragraph 1 of Article 193 of the Financial Instruments and Exchange Act, we have audited Fullcast Holdings Co, Ltd.'s financial statements for the business year of Term 18, from October 1, 2009 to September 30, 2010, as listed in "Financial Situation" including, namely, balance sheets, income statements, statements of shareholders' equity, and statement schedule. These financial statements are in the responsibility of the Company's management. Our responsibility is to express an opinion on financial statements from an independent position.

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