



BACKS GROUP, Inc.

**Presentation of Results for the Interim Period of
the Fiscal Year Ending March 31, 2008**

November 2, 2007 BACKS GROUP



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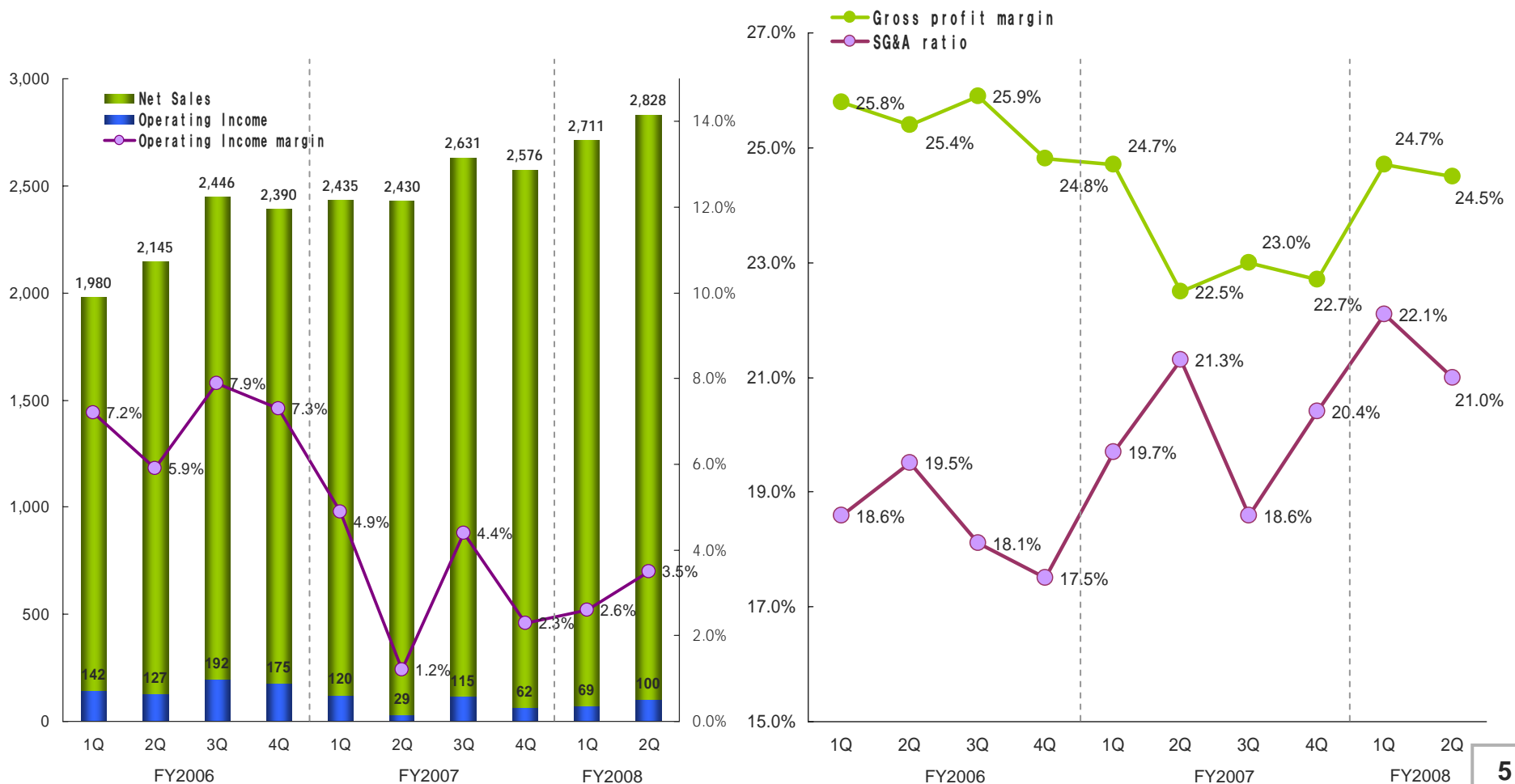
Results Highlights

FY2008 Interim Results Highlights

【Unit : million of yen】	FY2007 Interim	FY2008 Interim	Y on Y
Net Sales	4,865	5,539	+13.9%
Gross Profit	1,147	1,362	+18.7%
(Gross profit margin)	(23.6%)	(24.6%)	+1.0ppts
(SG & A ratio)	(20.5%)	(21.5%)	+1.0ppts
Operating Income	149	168	+12.9%
(Operating income margin)	(3.1%)	(3.1%)	±0ppts
Ordinary Income	148	165	+11.3%
Net Income	86	92	+7.2%





Profitability-Quarterly Basis

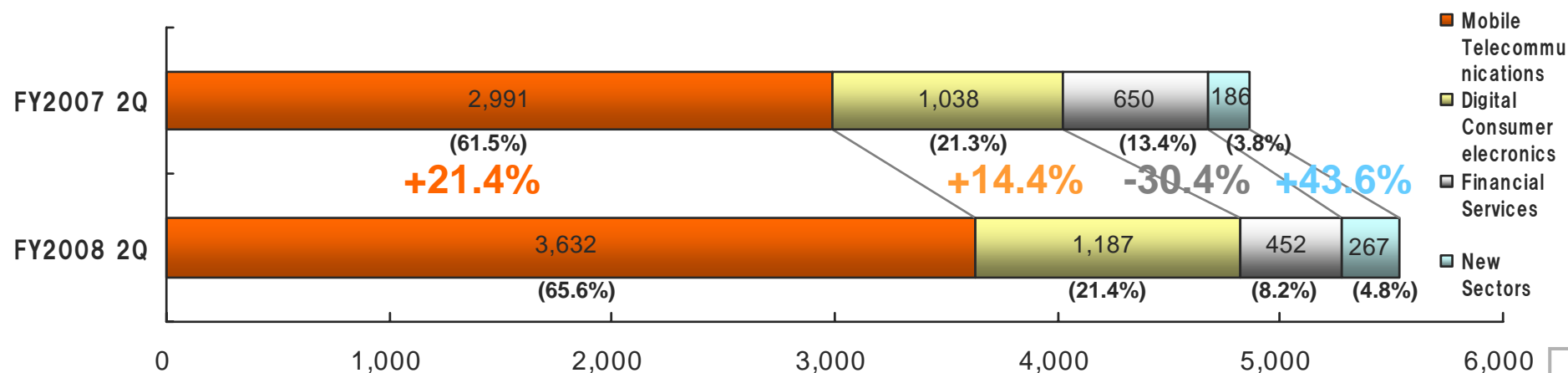
- Gross profit margin: Rise in gross profit margin due to improving the digital field's gross profit margin
- SG & A ratio : Rise in SG&A ratio due to new business and open the new offices





Sales by Customer Segment

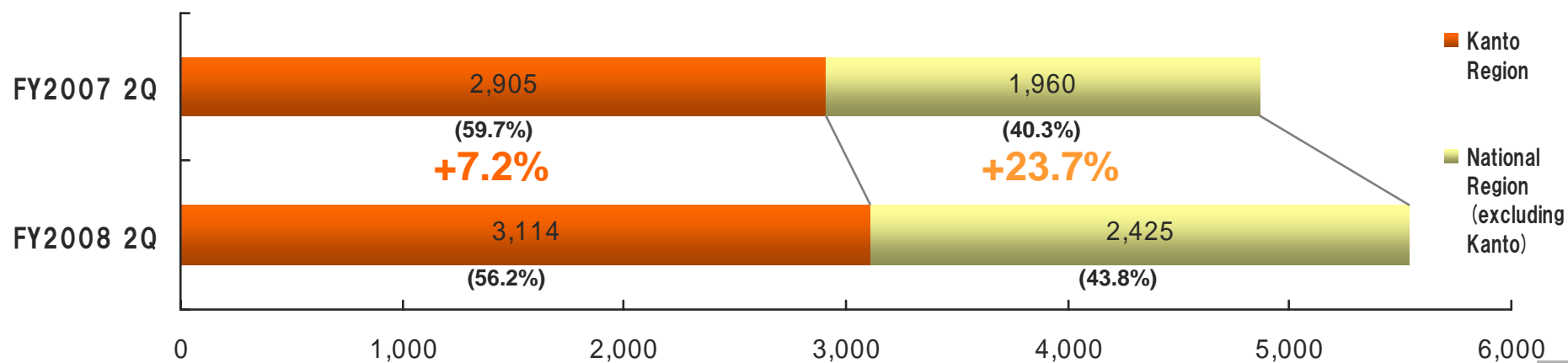
【Unit : Million of yen】

	FY2007 Interim	Share	FY2008 Interim	Share	Y on Y
 Mobile Telecommunications	2,991	61.5%	3,632	65.6%	+21.4%
 Digital Consumer electronics	1,038	21.3%	1,187	21.4%	+14.4%
 Financial Services	650	13.4%	452	8.2%	-30.4%
 New Sectors	186	3.8%	267	4.8%	+43.6%



Sales by Geographic Region

【Unit : million of yen】	FY2007 Interim	Share	FY2008 Interim	Share	Y on Y
 Kanto Region (o f f i c e s)	2,905 (9)	59.7%	3,114 (14)	56.2%	+7.2% (+5)
 National (excluding Kanto) (o f f i c e s)	1,960 (14)	40.3%	2,425 (18)	43.8%	+23.7% (+4)






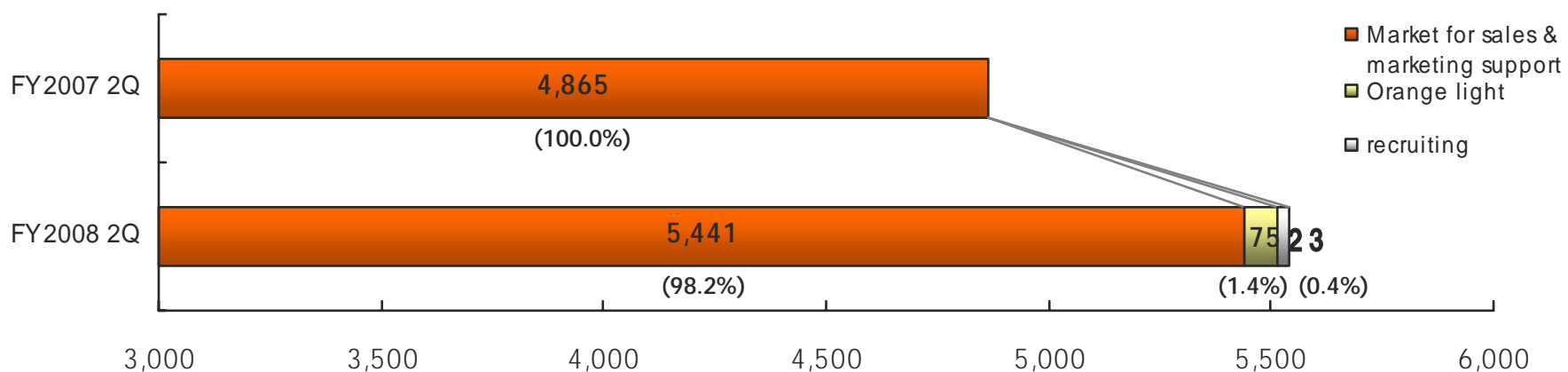
Business Segment Overview

	【Unit : million of yen】	FY2007 Interim	FY2008 Interim	Y on Y
Outsourcing	Net Sales	3,994	4,131	+3.4%
	(Share)	(82.1%)	(74.6%)	
	Operating Income	190	214	+12.5%
	(Operating margin)	(4.7%)	(5.2%)	+0.5ppts
Temporary Staffing	Net Sales	871	1,408	+61.6%
	(Share)	(17.9%)	(25.4%)	
	Operating Income	40	43	+7.2%
	(Operating margin)	(4.6%)	(3.1%)	-1.5ppts

New Business Overview

【Unit : million of yen】

	FY2007 Interim	Share	FY2008 Interim	Share
 Market for sales & marketing support	4,865	100.0%	5,441	98.2%
 Orange light	—	—	75	1.4%
 Recruiting	—	—	23	0.4%

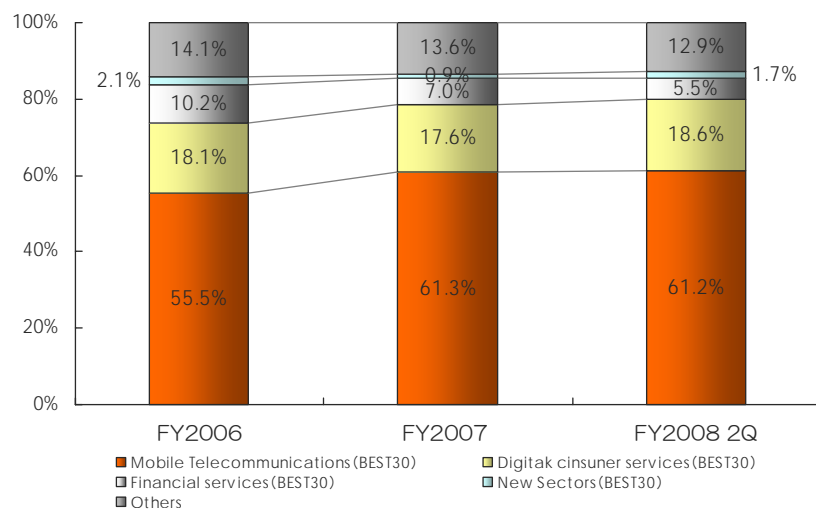


Top 30 Customers-Sales

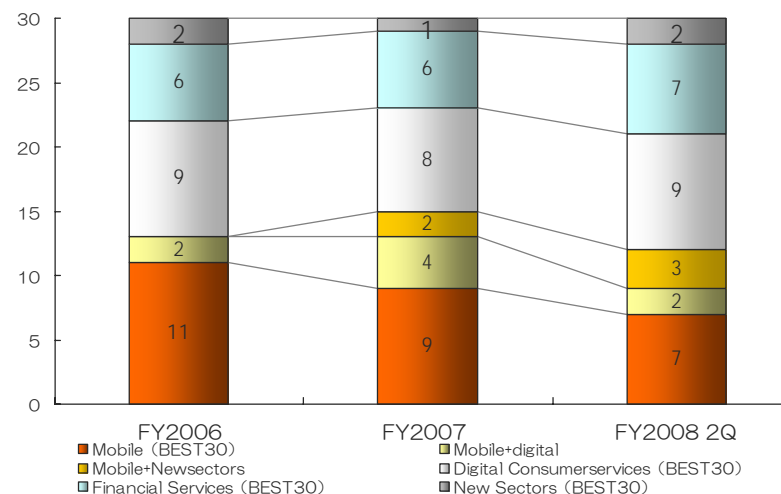
【Unit : million of yen】	FY2006			FY2007			FY2008 Interim			Y on Y
	Net Sales	Share	Firm	Net Sales	Share	Firm	Net Sales	share	Firm	
Mobile Telecommunications	4,975	55.5%	13	6,137	61.3%	14	3,392	61.2%	12	19.7%
Digital consumer services	1,626	18.1%	11	1,774	17.6%	12	1,032	18.6%	11	15.8%
Financial Services	911	10.2%	6	707	7.0%	6	303	5.5%	7	-37.2%
New Sectors	187	2.1%	2	88	0.9%	3	94	1.7%	5	-1.5%
Top Thirty Total	7,700	85.9%	30	8,707	86.4%	30	4,823	87.1%	30	12.0%
Others	1,262	14.1%	205	1,364	13.6%	265	716	12.9%	285	27.9%
Total	8,963	100.0%	235	10,072	100.0%	295	5,539	100.0%	321	13.9%

※The number of customers in each segment and the total number differ because customers in mobile and digital segments are included.

Ratio of Each Segment to Total Sales



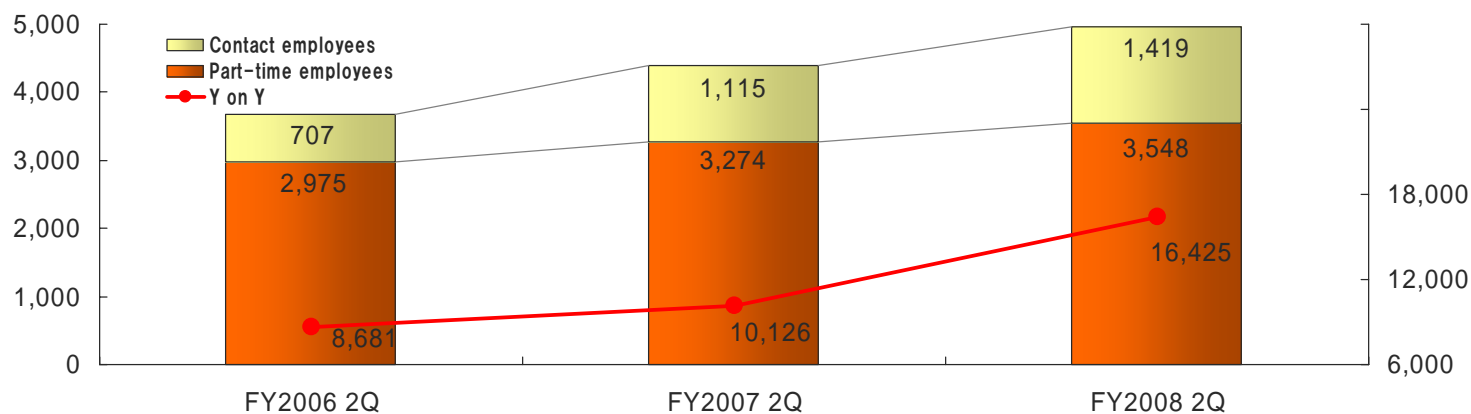
Breakdown to Top 30 Customers by Segment



Number of Staff

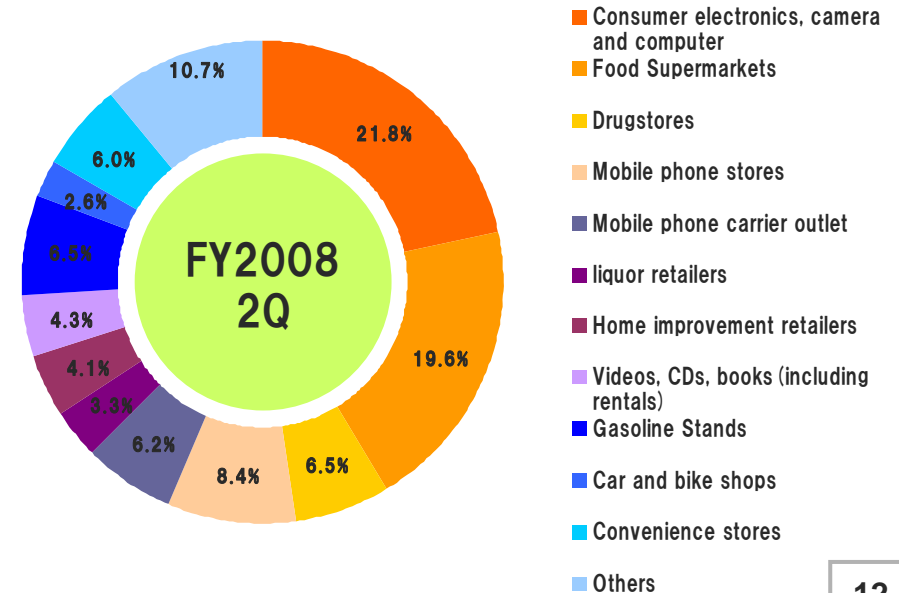
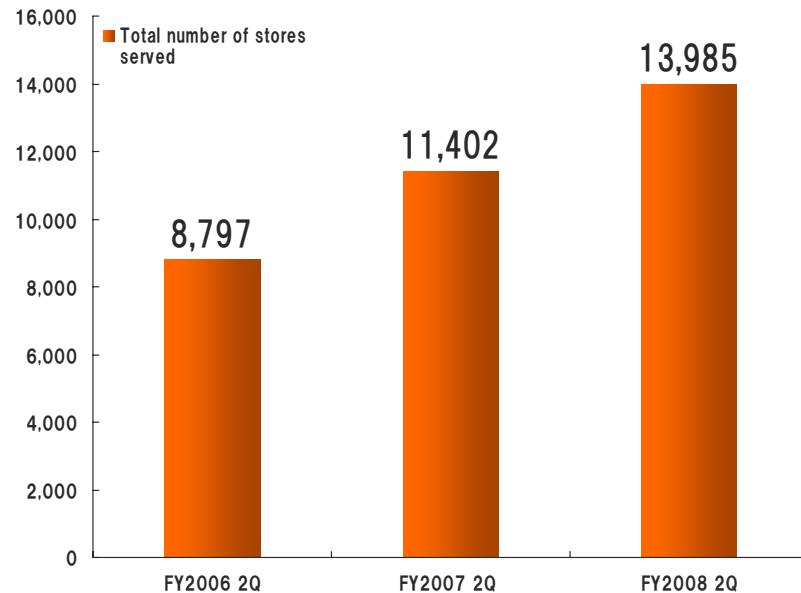
【UNIT: million of yen, person】

	FY2006 Interim	FY2007 Interim	FY2008 Interim
Active Staff (monthly average)	3,682	4,389	4,967
(Contact employees)	707	1,115	1,419
(Part-time employees)	2,975	3,274	3,548
Avg. sales amount per person	187	184	185
Registered staff	33,297	43,423	59,848
(Y on Y)	+8,681	+10,126	+16,425



Total number of stores serviced

	FY2006 Interim	FY2007 Interim	FY2008 Interim
Total number of stores	8,797	11,402	13,985
(Y on Y)	+4,185	+2,605	+2,583



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Strategies



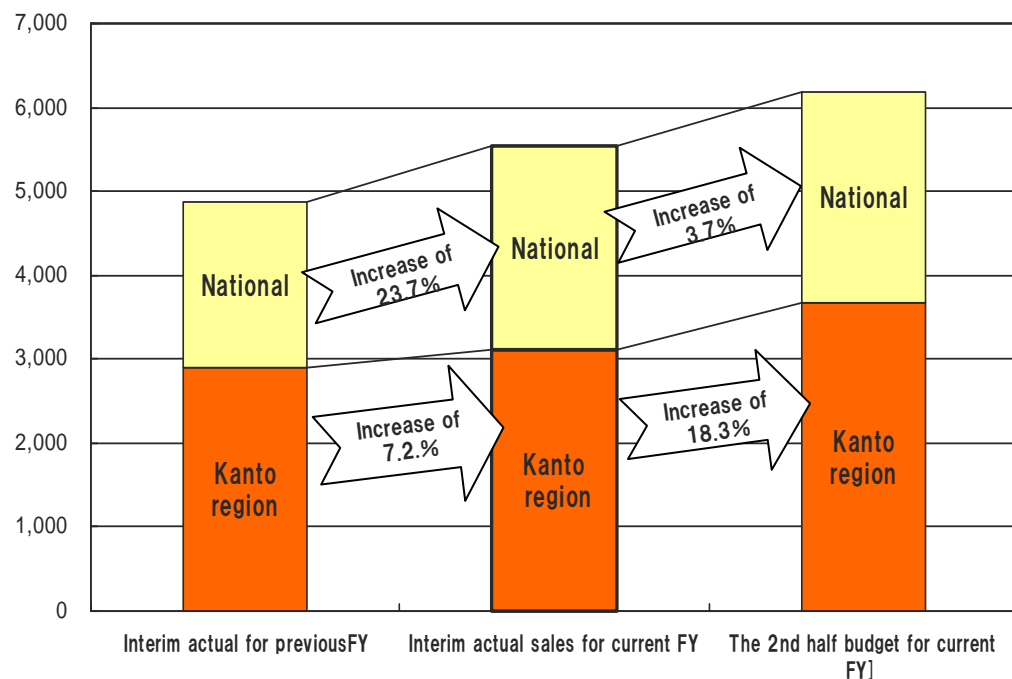
FY2008 Full year Forecasts

【Unit : million of yen】	FY2007 (Actual)	FY2008 (Forecasts)	Y on Y
Net Sales	10,072	11,740	+16.6%
Gross Profit	2,338	2,950	+26.2%
(Gross profit margin)	(23.2%)	(25.1%)	+1.9ppts
(SG & A ratio)	(20.0%)	(22.1%)	+2.1ppts
Operating Income	326	350	+7.3%
(Operating income margin)	(3.2%)	(3.0%)	-0.2ppts
Ordinary Income	319	350	+9.5%
Net Income	179	200	+11.3%

The 2nd half Strategies – Sales by region –

【Unit: Million of yen】

Sales by Customer Segment



【Kanto Region】

- For the convenience of position applicant-response staff, new offices have been established at terminal stations, to improve ability to match new hires to their jobs
- Strengthen the campaign management system, including follow-ups of the staff in operation, by increasing the number of staff available for mobile duties
- Establish operations offices to directly contact clients, and provide high quality service

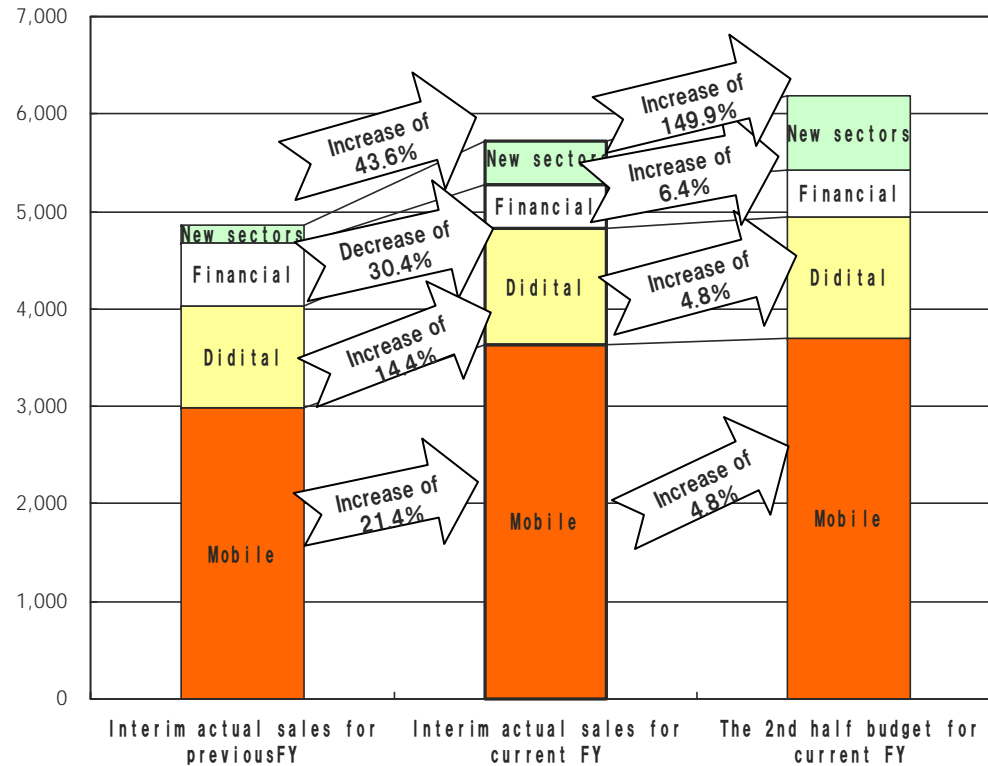
【National (excluding Kanto)】

- Open new locations in response to new projects
- Aggressive participation in nationwide campaigns

The 2nd half Strategies – Sales by segment –

【Unit: Million of yen】

Sales by Segment



【Mobile】

- Service staff follow-ups by reinforcing personnel and improving training system through own operated shops
- Improve staff supply capacity
- Expand locations to all areas in Japan

【Digital】

- Establish operations office capable of handling large-scale campaigns
- Improve ability to service customers in areas in Japan by reviving wide-area regional sales divisions

【Financial】

- Lock in existing superior clients

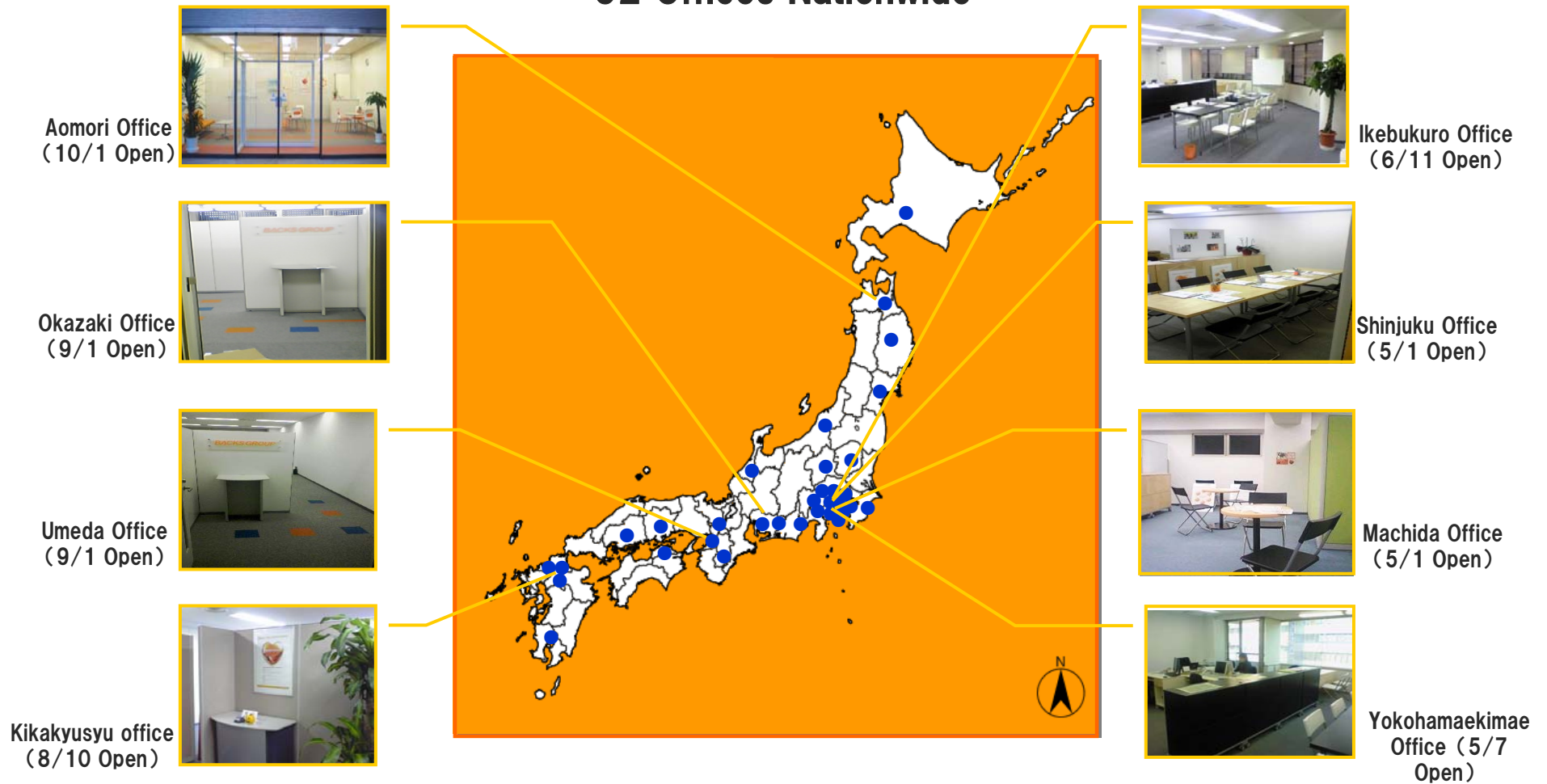
【New sectors】

- Full-scale launch of orange light, entertainment business and personnel placement services



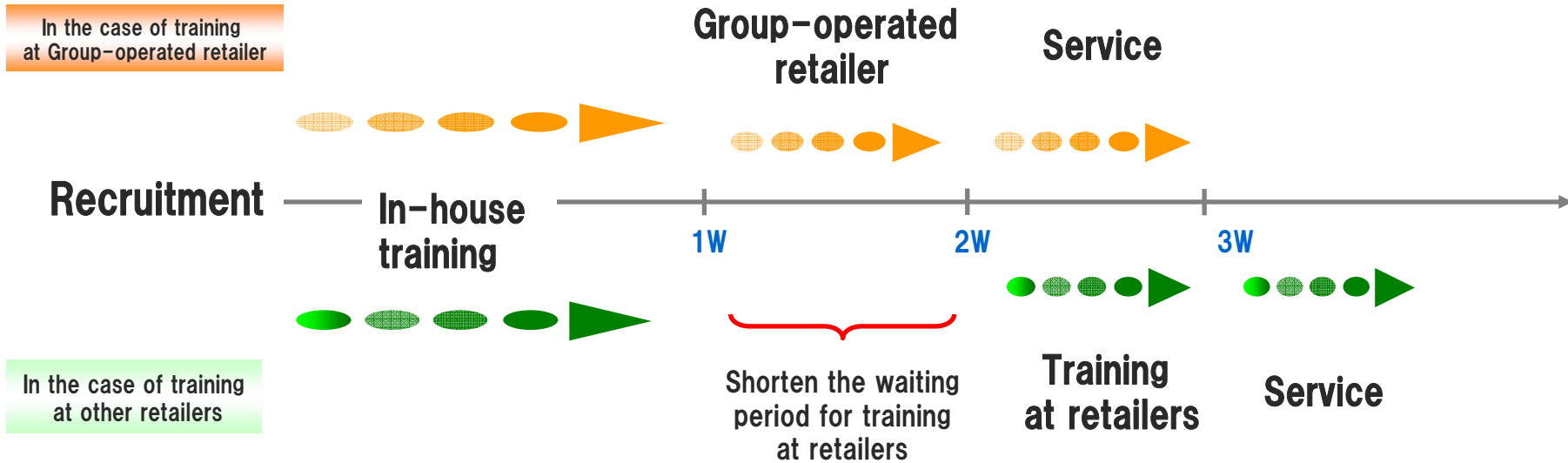
Improve our growth foundation — Office Locations —

32 Offices Nationwide



Improve our growth foundation – Training Centers –

Shortening the period from recruitment to service by conducting sales training at Group-operated shops



Alpha Mobile Plaza Nippori shop
2007/10/12 Open

Improve our growth foundation —New Business—

Orange light work



Personnel placement in the customer services for stores, events, and restaurants marketing

Employee recruiting services

従業員のパッケージは人材紹介事業に準じる。携帯販売の拡大に伴って、携帯販売の現場に必要となる人材の確保が急務となっている。また、業務の拡大に伴って、人材の確保が急務となっている。また、業務の拡大に伴って、人材の確保が急務となっている。

バックスグループ

携帯販売スタッフを紹介

正社員 人手不足で需要増
 携帯販売の拡大に伴って、人材の確保が急務となっている。また、業務の拡大に伴って、人材の確保が急務となっている。また、業務の拡大に伴って、人材の確保が急務となっている。

Nihon Keizai Newspaper 2007/4/3

Personnel placement and recruiting business specializing in sales and marketing

Personnel placement specializing in the entertainment industry



Main industry

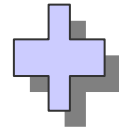
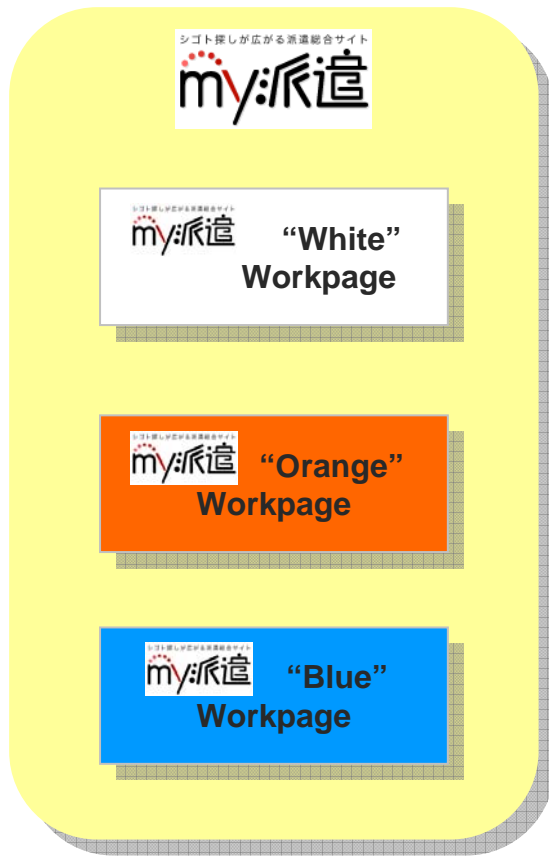
music, movie, picture, broadcasting, publishing, advertisement, design, game, internet

- assistant business
- creative business
- advertisement business

Personnel placement specializing in the entertainment industry

Improve our growth foundation – Website running business/reinforcing staff recruitment –

First in the industry! **3 Color-coded performance-based remuneration/package –type Staffing portal site**



Fully loaded with employment information

The screenshot shows the my:派遣 website interface. At the top, there's a navigation bar with the logo and various menu items like '23区', '関東', '関西', '東海', '北海道・東北', '北陸・信越', '中国・四国', and '九州沖縄'. Below this is a search bar with fields for '会員ID' and 'パスワード', and a 'ログイン' button. The main content area is divided into several sections: 'HotNews' with recent announcements, a '特集' (Special) section with featured job listings, and 'PickUp!' with highlighted opportunities. There are also sections for 'my:派遣 携帯サイト' with a QR code and '派遣について' (About Dispatching). The footer includes a 'my:検索' button and a note about search conditions.

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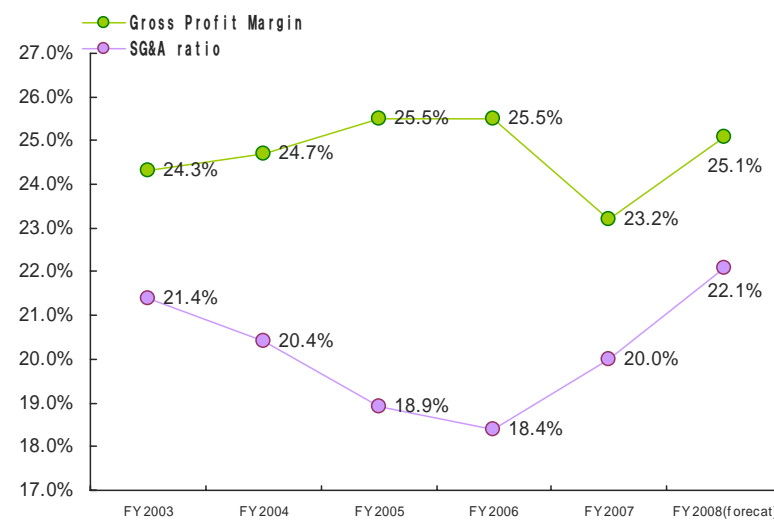
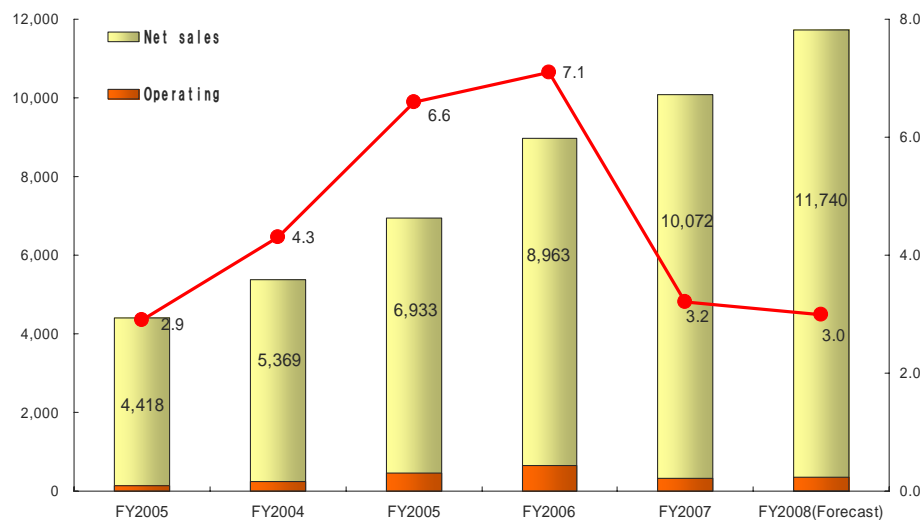


References

Performance Trends

[Unit: Million of yen]

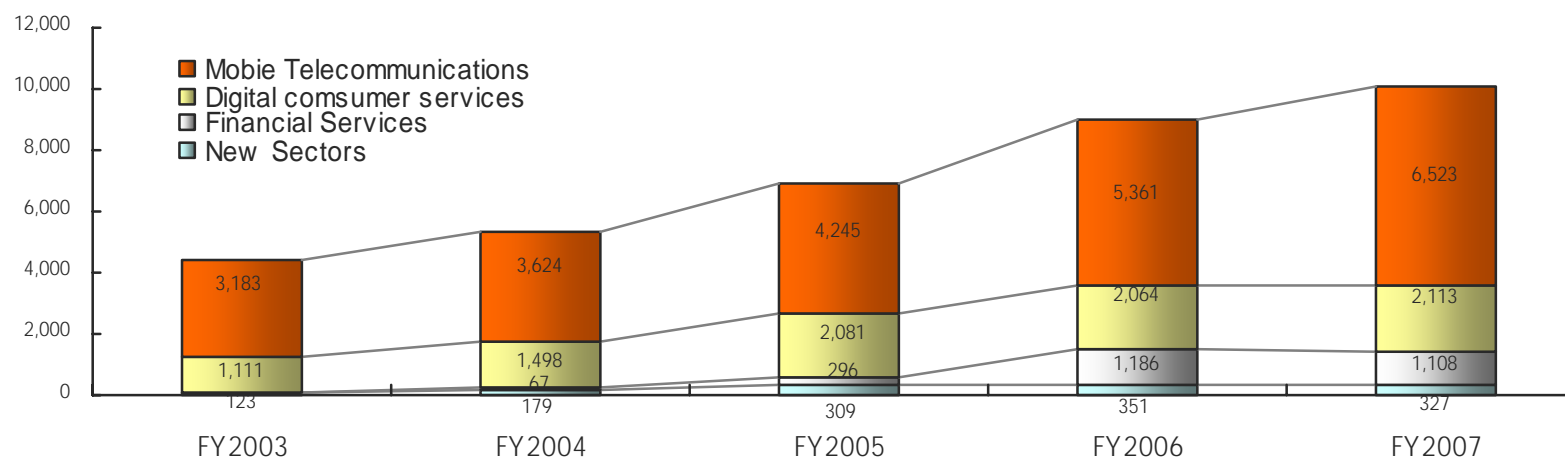
	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008 (forecast)
Net Sales	4,418	5,369	6,933	8,963	10,072	11,740
Gross Profit	1,073	1,328	1,769	2,283	2,338	2,950
(Gross Profit Margin)	(24.3%)	(24.7%)	(25.5%)	(25.5%)	(23.2%)	(25.1%)
(SG&A ratio)	(21.4%)	(20.4%)	(18.9%)	(18.4%)	(20.0%)	(22.1%)
Operating Income	129	230	460	637	326	350
(Operating Income margin)	(2.9%)	(4.3%)	(6.6%)	(7.1%)	(3.2%)	(3.0%)
Ordinary Income	145	226	457	637	319	350
Net Income	77	133	258	371	179	200



Sales by Customer Segment

[Unit: Million of yen]

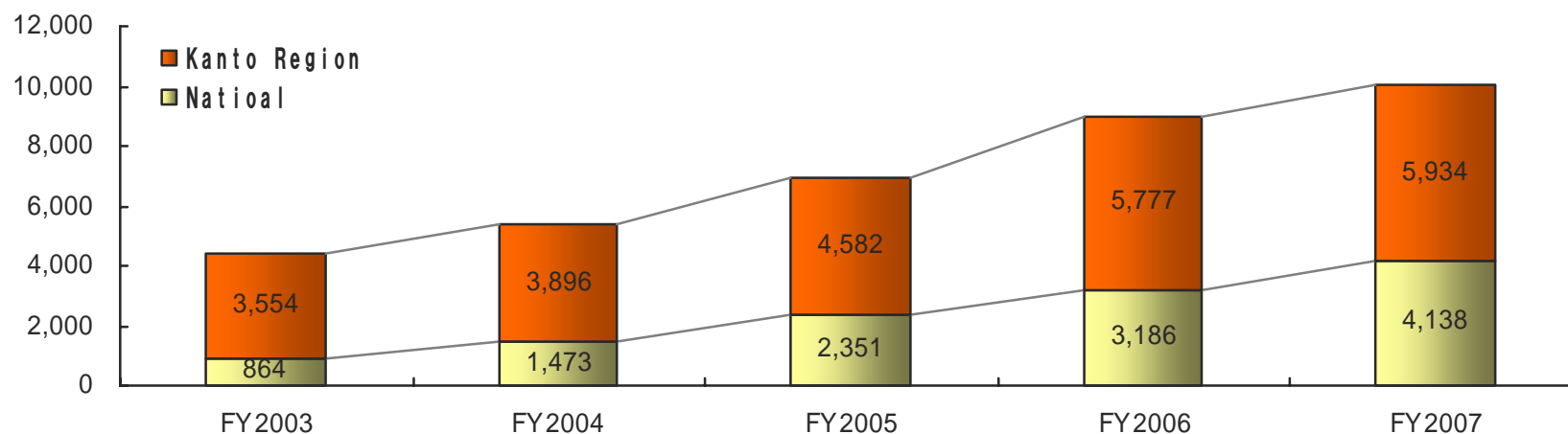
		FY2003	FY2004	FY2005	FY2006	FY2007
Mobile Telecommunications	Net Sales	3,183	3,624	4,245	5,361	6,523
	Share	72.0%	67.5%	61.2%	59.8%	64.8%
Digital consumer electronics	Net Sales	1,111	1,498	2,081	2,064	2,113
	Share	25.2%	27.9%	30.0%	23.0%	21.0%
Financial Services	Net Sales	—	67	296	1,186	1,108
	Share	—	1.2%	4.3%	13.2%	11.0%
New Sectors	Net Sales	123	179	309	351	327
	Share	2.8%	3.2%	4.5%	4.0%	3.3%



Sales by Geographic Region

【Unit: Million of yen】

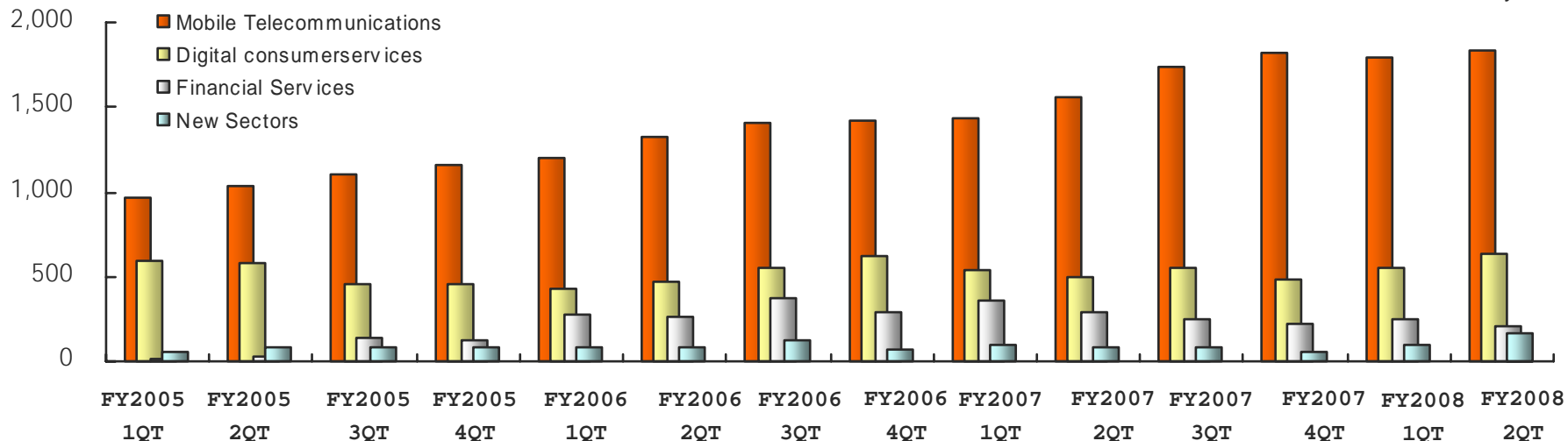
		FY2003	FY2004	FY2005	FY2006	FY2007
Kanto Region	Net Sales	3,554	3,896	4,582	5,777	5,934
	Share	80.4%	72.6%	66.1%	64.5%	58.9
	Offices	(1)	(5)	(6)	(9)	(9)
National (excluding Kanto)	Net Sales	864	1,473	2,351	3,186	4,138
	Share	19.6%	27.4%	33.9%	35.5%	41.1
	Offices	(6)	(6)	(11)	(13)	(14)



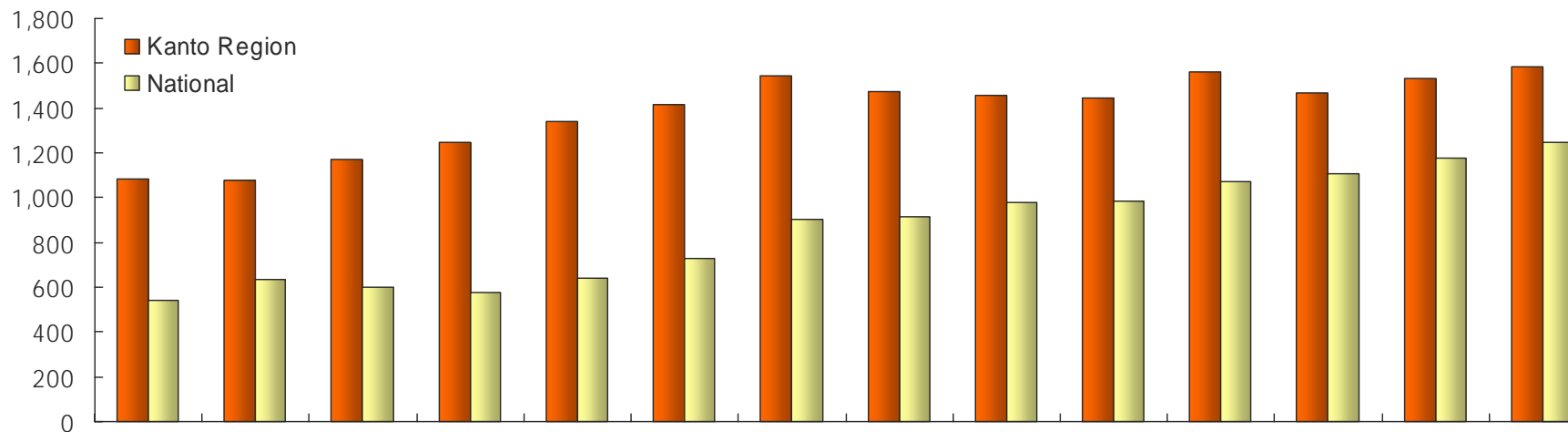
Quarterly Trends In Sales—by Customer Segment and Region

Sales by Customer Segment

【Unit: Million of yen】



Sales by Geographic Region



Consolidated Cash Flows

【Unit: Million of yen】	FY2007 Interim	FY2008 Interim	Y on Y	Changing Factors
Cash flows from operating activities	58	73	+25.6%	increase in accounts receivable and decrease in accounts payable.
Cash flows from investing activities	-30	-80	—	the expenditures for the start-up of the Internet employment information services and the payment of deposit and guarantee money.
Cash flows from financing activities	-62	-516	—	repayment of short-term borrowings and the payment in dividends.
Cash and cash equivalents at the end of the period	1,191	950	-20.2%	
Change in Cash and Cash Equivalents	-35	-524		<ul style="list-style-type: none"> •decrease in cash and deposits from the repayment of short-term loans and the payment of dividends •the acquisition of treasury stock

Consolidated Statement of Cash Flows

【Unit: Million of yen】	FY2003	FY2004	FY2005	FY2006	FY2007
Cash flows from operating activities	74	182	328	342	247
Cash flows from investing activities	-75	-145	-64	-101	-78
Cash flows from financing activities	7	-27	42	-92	79
Cash and cash equivalents at the end of the period	762	771	1,078	1,226	1,474
Change in cash equivalents at the end of the period	+5	+9	+306	+147	+248

Sales and Profits Trends—by Group Company

【Million of yen】	FY2007 Interim	FY2008 Interim	Y on Y
Net Sales	4,865	5,539	+13.9%
Backs Group	3,882	4,519	+16.4%
Giga Japan	521	475	-8.9%
Smart	508	610	+20.0%
Entertainment Commons	—	0	—
Gross Profit	1,147	1,362	+18.7%
Backs Group	974	1,163	+19.4%
Giga Japan	106	107	+1.3%
Smart	92	118	+28.7%
Entertainment Commons	—	0	—
Operating Income	149	168	+12.9%
Backs Group	99	129	+29.7%
Giga Japan	22	22	-4.1%
Smart	26	25	-4.2%
Entertainment Commons	—	-8	—

※Net sales, gross profit, and operating incomes of each group company are not yet adjusted for consolidation. Thus, the total of group companies and the consolidated figure differ.

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Shareholders



Shareholder Breakdown by Segment

Shareholder Segment	FY2007 Interim				FY2007				FY2008 Interim			
	No. of holders	Share	No. of stocks	Share	No. of holders	Share	No. of stocks	Share	No. of holders	Share	No. of stocks	Share
Government and local authorities	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Bank and trust companies	9	0.13	30,715.00	20.68	4	0.05	5,384.00	3.63	1	0.01	500.00	0.34
Insurance companies	0	0.00	0.00	0.00	0	0.00	0.00	0.00	0	0.00	0.00	0.00
Other financial institutions	3	0.04	2,991.00	2.01	3	0.04	3,198.00	2.15	3	0.04	1,480.00	1.00
Securities companies	17	0.25	2,336.00	1.57	19	0.25	4,165.00	2.80	14	0.20	4,673.00	3.15
Other corporations	39	0.58	12,533.00	8.44	40	0.53	12,359.00	8.32	44	0.64	12,962.00	8.73
Foreign corporations	29	0.43	17,652.00	11.89	19	0.25	5,928.00	3.99	13	0.19	2,012.00	1.35
Individual / others	6,583	98.53	75,728.00	50.99	7,427	98.86	107,921.00	72.67	6,773	98.89	112,347.00	75.64
Treasury stock	1	0.01	6,560.00	4.42	1	0.01	9,560.00	6.44	1	0.01	14,541.00	9.79
Total	6,681	100.00	148,515.00	100.00	7,513	100.00	148,515.00	100.00	6,849	100.00	148,515.00	100.00
Big shareholders	10	0.15	75,893.00	51.10	10	0.13	55,011.00	37.04	10	0.14	49,072.00	33.04
Fund	7	0.13	26,150.00	17.60	2	0.02	2,817.00	1.89	0	0.00	0.00	0.00
Floating stocks	6,542	97.91	32,033.00	21.56	7,248	98.86	45,643.00	30.73	6,525	95.26	44,068.00	29.67
Special socks	18	0.27	85,699.00	57.70	17	0.22	67,817.00	45.66	20	0.29	51,063.00	34.38

Returns to Shareholders

Improved liquidity by Stock Split

Date	Contents
April 26 th , 2001	1.5 for 1
December 19 th , 2003	4 for 1
May 20 th , 2004	2 for 1
January 20 th , 2006	4 for 1

Dividend Policy

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Divided price (yen)	3,500 yen	1,500 yen	2,000 yen	625 yen	950 yen	250 yen
Payout ratio (%)	16.4%	16.2%	25.0%	23.8%	74.1%	16.7%

Acquisition of treasury stocks

Our company acquired treasury stocks for the purpose of implementing dynamic capital strategies.

Outlines of the acquisition

- (1) The number of treasury stocks acquired should be up to 4,981 stocks (3.35% of the total number of stocks outstanding).
- (2) Costs total: 90,183,940 yen
- (3) The treasury stocks was acquired from May 22, 2006 to Sep 28.

Forward-Looking Statements

This presentation and its related materials contain forward-looking statements about the plans, strategies, beliefs, and performance of Backs Group Inc. that are not historical facts. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industries in which Backs Group Inc. operates; on management's beliefs; and on assumptions made by management. As expectations, estimates, forecasts and projections are subject to a number of risks, uncertainties, and assumptions, actual results may differ materially from those projected. Backs Group Inc. therefore wishes to caution readers not to place undue reliance on forward-looking statements. Furthermore, Backs Group Inc. undertakes no obligation to update any forward-looking statements as a result of new information, future events, or other developments.

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