

■Financial Highlights of FY2009 1Q Earnings

FY200 1Q Earnings Sales for the FY2009 Mark a New Record High

Net sales increase 17.1% year-on-year, operating income increase 29.8%

The Backs Group consolidated earnings for the First Quarter of FY2009 (from April 1, 2008, to June30, 2008) have been finalized, and are summarized here. For details please refer to the Summary of Consolidated Earnings Report for the First Quarter of the Fiscal Year Ending March 31, 2009.

Financial Highlight

- Results for the first quarter of the fiscal year ending March 2009 term were an increase of 17.1% for sales, an increase of 29.8% for operating income, an increase of 32.2 % for ordinary income, and an increase of 20.9% for net income, all figures compared to the corresponding period of the previous fiscal year.

[Causes]

- Sales for the first quarter reached an all-time record high. In the mobile telecommunication segment, despite continued strong demand from telecommunication carriers and agents on the national level, failure to supplement the decrease in sales due to transferring temporary staff to client companies as their official employees resulted in an 8.4% decrease in sales year on year. In the digital consumer electronics segment, due to the fact that large new contracts secured in the previous term became fully operational, sales increased by 63.6% year on year. In the financial services segment, on the other hand, demand diminished as existing credit card company clients undertook revisions of their sales promotion policies in conjunction with the enactment of the new lending regulations reducing the allowable maximum interest rate, resulting in a 30.4% decrease year on year. Furthermore, in the other consumer products segment, as a result of securing new orders from the distribution, volume retailers and the entertainment segments, sales increased by 332.9% year on year.
 - In the digital consumer electronics segment and the other consumer products segments, the increase in large-scale contracts and successful measures to enhance our registered staff utilization rate resulted in the gross profit margin to gain 0.1 point (gross profit margin: 24.8%) year on year.
 - In terms of selling, general and administrative expenses, an year on year decrease of 0.1 was recorded as a result of improved business efficiency and other factors, despite increases in personnel expenses stemming from the increase in staff and growing initial costs arising from the opening of new offices (consolidated cost of sales and general administration ratio: 22.0%).
- The FY2008 Interim budget achievement rate are 47.7% for net sales, 47.4% for gross profit, 53.0% for operating income, 52.5% for ordinary income, and 49.6% for net income.

■Year-on-year change in earnings and progress toward forecast for the full fiscal year forecast

(Units : Millions of yen)

	FY2008 1Q	FY2009 1Q	Y on Y	FY2009 Interim budget	Progress Ratio for Interim forecasts
Sales	2,711	3,174	+17.1%	6,700	47.4%
Gross profit on sales	668	787	+17.8%	1,660	47.4%
(Gross profit margin)	(24.7%)	(24.8%)	+0.1ppts	(24.8%)	—
(SG&A ratio)	(22.1%)	(22.0%)	-0.1ppts	(22.2%)	—
Operating income	69	90	+29.8%	170	53.0%
(Operating income margin)	(2.6%)	(2.8%)	+0.2ppts	(2.5%)	—
Ordinary Income	67	89	+32.2%	170	52.5%
Net Income	40	48	+20.9%	98	49.6%

■Results by segment

①By business segment

(Units : Millions of yen)

	Sales			Operating income		
	FY2008 1Q	FY2009 1Q	% Change	FY2008 Interim earnings	FY2009 Interim earnings	% Change
Outsourcing Business	2,035	1,421	-30.1%	92	76	-16.6%
Temporary Staffing Business	676	1,752	+159.0%	18	69	+267.7%

*1: The selling, general and administrative expenses under business expenses are proportionally distributed and allocated according to the segment sales ratios of each company.

②Sales by region

(Units : Millions of yen)

	FY2008 1Q earnings	FY2009 1Q earnings	% Change
Kanto Region*1	1,532	1,961	+27.9%
National*2	1,179	1,213	+2.9%

*1: Includes Tokyo, Kanagawa, Saitama, Chiba, Ibaraki, Tochigi, Gunma and Niigata.

*2: Indicates all other regions not listed in note *1 above.

□ Sales by customer industry

(Units : Millions of yen)

	FY2008 1Q	FY2009 1Q	% Change
Mobile telecommunications*1	1,799	1,648	-8.4%
Digital consumer electronics*2	556	910	+63.6%
Financial services*3	254	176	-30.4%
New Sectors*4	101	438	+332.9%

*1: Indicates all mobile telecommunications customers, including carriers and agents.

*2: Indicates PCs, digital consumer electronic products (printer, digital cameras, security software) and broadband service providers (Broadband, optical fibers)

*3: Indicates the financial industry including banks and credit card companies.

*4: Indicates producers of general consumer goods, retail distribution, entertainment, other than those indicated in *1, *2, *3

For details please refer to the Summary of Consolidated Earnings Report for the First Quarter of the Fiscal Year Ending March 31, 2009, page 6-7.

■ Cash flows

For details please refer to the Summary of Consolidated Earnings Report for the First Quarter of the Fiscal Year Ending March 31, 2008. Page 7 and Statements of Cash Flows page 12.

(Reference)

■ Outlook for the current term (FY 2009)

(Units : Millions of yen)

	FY2008 earnings	FY2009 Full f year forecasts	% Change
Sales	11,775	14,040	+19.2%
Gross profit on sales	2,883	3,550	+23.1%
(Gross profit margin)	(24.5%)	(25.3%)	+0.8ppts
(SG&A ratio)	(21.1%)	(21.7%)	+0.6ppts
Operating income	404	500	+23.7%
(Operating income margin)	(3.4%)	(3.6%)	+0.2pts
Ordinary Income	401	500	+24.5%
Net Income	210	290	+37.7%

【Disclaimer】

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