



JASDAQ

January 28, 2010

Summary of Consolidated Earnings Report for the Third Quarter of the Fiscal Year Ending March 31, 2010

Company Name: Backs Group Inc. (URL: <http://www.backs.co.jp/>)
Code Number: 4306
Stock Listings: JASDAQ
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Representative: Tsutomu Okada (President)
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Use of U.S. accounting standards: None

1. Consolidated Results for the Third quarter of the FY2010 (April 1, 2009 - December 31, 2009)

(1) Business Results (Millions of yen, rounded down; %)

	Net Sales		Operating Income		Ordinary Income		Net Income	
		%		%		%		%
FY2010 3Q	8,880	-9.2	208	-22.3	212	-20.8	109	30.1
FY2009 3Q	9,774	-	268	-	267	-	84	-

	Net Income	Net Income per share
	Per share (yen)	(Diluted) (yen)
FY2010 3Q	872.31	871.93
FY2009 3Q	630.33	629.14

(2) Changes in the Company's Financial Condition (Millions of yen, rounded down; except as indicated)

	Total Assets	Shareholders' Equity	Equity Ratio	Shareholders' equity per share
			%	(Yen)
FY2010 3Q	3,117	1,864	56.3	13,925.63
FY2009	2,998	1,697	56.2	13,376.79

Reference: Equity capital FY2010 3Q 1,754 million FY2009 1,685 million

2. Dividends

(Record Date)	Dividend per share				
	1Q	3Q	3Q	4Q	Full year
FY2009	yen —	yen 0.00	yen —	yen 340.00	yen 340.00
FY2010	—	0.00	—	—	—
FY2010 (forecasts)	—	0.00	—	360.00	360.00

References Revision of dividend forecast in this term: None

3. Forecasts for Fiscal Year 2010 (April 1, 2009 - March 31, 2010)

(Values in parentheses are rates of growth or decline compared to the previous year)

	Net Sale	Operating Income	Ordinary Income	Net Income per Share	Net Income per Share (yen)
Full term	12,000 % -8.1	311 % -30.6	314 % -29.8	180 % 1.4	(Yen) 1,428.87

4. Others

(1) Changes in important subsidiaries during the fiscal year (Changes to designated companies that fall within the amended scope of consolidation): Yes

The Group acquired 69.55% of shares of JBtoB Co.Ltd. as of December 29, 2009. However, only balance sheet of the subsidiary was consolidated into the balance sheet of the Group from the current consolidated accounting third quarter.

(2) Adoption of simplified accounting method or accounting methods specific to quarterly consolidated financial statements: None

(3) Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements (Items stated under Changes in the Significant Assumptions Underlying the Preparation of the Quarterly Consolidated Financial Statements)

① Changes accompanying changes in accounting standards: None

② Changes other than those stated above: None

(4) Number of Share outstanding (Common stock)

① Number of Shares outstanding at the end of fiscal year (Included treasury stock)

FY2010 3Q 148,515 shares FY2009 148,515shares

② Number of shares outstanding at the end of the fiscal year

FY2010 3Q 22,541 shares FY2009 22,541shares

③ Average number of shares during the period (For the current consolidated first quarter)

FY2010 3Q 148,515shares FY2009 3Q 148,515shares

※ Notes on the proper use of the forecasts, and other special instructions

Forecasts contained in this report are based on information available at the time of this announcement, and assume that unknown factors may affect future performance. Actual results may differ significantly due to a variety of factors.

【Qualitative Information and Financial Statements】

1. Qualitative Information on Consolidated Business Results

(1) Analysis of Operating Results

During the current consolidated cumulative third quarter (from April 1 to December 31, 2009), the national economy showed some indications of recovery in export and production, but the future outlook remains uncertain. In addition, total unemployment rate remained at a high level, showing that employment situation is still severe.

The mobile telecommunications industry, the principal market in which the Backs Group operates, achieved robust growth from 91.1% to 96.2% in the percentage of subscriptions for third-generation (3G) handsets. The number of mobile phone subscriptions was 110,610,000*1 as of the end of December 2009, 4.5% more than in the corresponding period of the previous fiscal year, indicating that the use of mobile phone terminals as information communication and terminals is spreading. On the other hand, the number of units sold has been decreasing, with the replacement demand for new mobile phone terminals remaining slow following the introduction of installment sales schemes. In this environment, competition for customers is becoming increasingly fierce as reflected in the introduction of low-fee services and the provision of music, video and other contents services by mobile phone carriers.

With regard to the digital consumer electronics industry, as the growth of the number of broadband subscribers began to slow with 34,170,000 internet connection services contracts*2 as of the end of June 2009, demand for fiber-optic communication services increased, while a decreasing trend in digital subscriber's line services continued.

In the credit card industry, the number of cards issued as of the end of March 2009, rose 3.0% year-to-year to 317.83 million; by type of issuer, 127.18million cards were issued by banks, 91.66million cards were issued by retailers, 60.59million cards were issued by shinpan credit companies and 12.07 million cards were issued by gasoline retailers.*3 Growth has slowed down in the credit. While the market size is continuing to expand, owing to the expansion of the use of credit cards to include the settlement of daily, medical and other expenses, since the enforcing of regulations within the framework of the full scale enforcement of the Money Lending Business Law Amendment Act, the trend to reduce sales promotion activities remains strong among some credit card companies.

Under these situations, the Group focused its efforts of the current consolidated cumulative third quarter on expansion of its business domain. One of the steps was to enter into a business partnership agreement with REQUEST INC., a company that has strength in planning and production of sales promotion, in order to streamline our one-stop system that provides every step from planning to administration and execution of store-front promotions. At the same time, we increased the number of the registered staff in operation by reinforcing training sessions and regularly visiting stores.

In addition, as of December 29, 2009 the Group acquired 69.55% of shares of JBtoB Co.Ltd., a company that provides analysis service (ASP service) of POS data with customer attributes for retails and manufacturers along with a consulting service for efficient use of information, and included the acquired company in the consolidated accounts as a subsidiary. Trough this acquisition, we will be able to expand our service portfolio by integrating JBtoB's expertise with our accumulated expertise on shop-front sale promotion and sales/sales support activities, so that we can respond to clients' diversifying needs with value-added services of a high level.

In both the mobile phone and digital products fields, net sales for the current consolidated cumulative third quarter fell short of the corresponding period of the previous year, as business performance of the major mobile phone agency segment remained unchanged from the corresponding period of the previous year, due to the

decreased orders for sales promotion such as new product launch events as well as a shift by some clients to direct employing rather than using temporary staff.

In terms of profits, gross profit ratio on sales decreased 1.8 points year on year, due to sales decrease of large-scale contracts with high profitability in the digital consumer electronics segment as well as cost reduction requests from some clients. Meanwhile, selling, general and administrative expenses during the current consolidated cumulative third quarter decreased 1.4 points year on year, owing to the effects of efforts made to reduce fixed cost by abolishing and consolidating business sites, reducing recruitment costs by improving recruiting efficiency, and implementing Group-wide cost reduction activities. In addition, extraordinary loss of 11 million yen for abolishment and consolidation of business sites and of 6 million yen for write-down of investment securities was posted, but net income during the current quarter increased year on year, because it decreased by 62 million yen in comparison with the corresponding period of the previous year.

As a result of these efforts, consolidated net sales for the Third Quarter of the fiscal year 2010 were ¥8,880 million (decrease 9.2% from the previous fiscal year). Operating Income ¥208 million (down 22.3%), Ordinary income was ¥212 million (down 20.8%), and net income was ¥109 million (up 30.1%).

Notes:

- *1 Source: Calculations based on Telecommunications Business Association report “Numbers of Mobile Phone/IP Connection Services/PHS/Wireless Call Contracts.”
- *2 Source: Calculations based on Ministry of Internal Affairs and Communications’ report “Trends in Numbers of Users of Internet Connection Services, etc (as at June 2009)” (latest data September 18, 2009).
- *3 Source: Calculated based on the Japan Consumer Credit Industry Association, “Numbers of Credit cards Issued by Sector (Actual results)”

< Results by Major Segment >

(1) By business segment

(a) Outsourcing

In the outsourcing business, the Group focused on efforts to acquire batch consignment contracts that cover wide areas in order to compensate the loss due to the shift in the type of employment contracts of our mobile telecommunications clients from outsourcing to temporary staff dispatch agreements, but we did not acquire any contracts for such projects during the current consolidated third quarter. The Group has also provided a service billed on the produced results in the digital electronics segment from the previous quarter, but failed to ensure the sales projected before the current quarter, due to the sluggish growth of newly registered subscribers of digital lines and optical fibers for broadband Internet connectivity. As a result, the current consolidated cumulative third quarter net sales were 3,267 million yen (16.6% decrease year on year) and operating income was 155 million yen (24.3% decrease year on year).

(b) Temporary staffing

In the temporary staffing business, sales of full-time employment line decreased, due to the fact that the expiration date of a temporary staff dispatch agreement with a major mobile telecommunications carrier fell during the current quarter, and they decided to shift from temporary staffing to direct employment. On the other hand, demand for temporary staffing from clothing shops that have strength in dissemination of wireless Internet telecommunications and providing low price products continued to be strong. However, such demand did not fully cover the reduction of orders due to sales promotion budget contraction seen throughout the mobile communications segment during the time of sluggish demands for mobile terminal. As a result, the

current consolidated cumulative third quarter net sales were 5,615 million yen (4.3% decrease year on year) and operating income was 249 million yen (0.3% decrease year on year).

(2) By region

(a) Kanto region*1

In the Kanto region, efforts were focused on increasing temporary staff for full-time work in the mobile communications segment, but growth of sales in the region was sluggish. On one hand the expiration date of a staffing contract with a mobile telecommunications client fell during the current quarter, and they decided to shift from temporary staffing to direct employment. On the other hand, a deterioration of the economic environment had a large impact on the music industry that includes main clients of Entertainment Commons Inc., our subsidiary. In addition, operation of the newly established division to provide Internet connection lines on a full-commission system did not get on the right track during the current quarter, and, as a result, pushed net sales and operating income down. Due to the above factors, the current consolidated cumulative third quarter net sales were 5,454 million yen (8.6% decrease year on year).

(b) National*2

The demand for campaigns decreased during the sales season nationwide, due to impact of general feeling of deterioration in the economic climate. In the financial service segment, the sales promotion of credit cards for companies affiliated with banks had been scheduled in the second half of the current quarter, but the budget was suddenly reduced, which had a serious impact on the business. As a result, the third quarter net sales were 3,425 million yen (10.0% decrease year on year).

(3) By customer industry

(a) Mobile telecommunications*3

In the mobile communications segment, the expiration date of a temporary staff dispatch agreement with a major mobile telecommunications carrier fell during the current quarter and prompted their decision to promote direct employment. In addition, competition with competitors escalated, due to a trend to reduce budget for sales promotion activities in the segment. As a result, the current consolidated cumulative third quarter net sales were 4,704 million yen (5.2% decrease year on year).

(b) Digital consumer electronics*4

In the digital consumer electronics segment, sales of flat-screen televisions and refrigerators were brisk during the current quarter, owing to introduction of the eco-point system, while demands for campaigns, which are the strength of our Group, tended to decrease, partly because of manufacturers' policy to reduce selling, general and administrative expenses. As a result, the current consolidated cumulative third quarter net sales were 2,556 million yen (5.3% decrease year on year).

(c) Financial services*5

In the financial service segment, efforts were made to enhance the specialization of staff, for example, by holding compliance training sessions, but, as in today's economic environment people try to refrain from opening new shops, a decrease of demand was seen in joint sales promotion of the credit cards in collaboration with distribution channels such as shopping malls and gas stations. As a result, the current consolidated cumulative third quarter net sales were 398 million yen (34.8% decrease year on year).

(d) New Sectors*6

In the new business segment, the demand for temporary staffing increased as some retail chains opened branch shops handling low-price clothing and consumer products, while the demand for temporary staffing in other distribution channels decreased, due to a distinct trend to reduce labor cost. As a result, the current consolidated cumulative third quarter net sales were 1,220 million yen (18.7% decrease year on year).

Notes:

- *1: Includes Tokyo, Kanagawa, Saitama, Chiba, Ibaraki, Tochigi, Gunma, Niigata and Yamanashi.
- *2: Indicates all other regions not listed in note (1) above.
- *3: Indicates all mobile telecommunications customers, including carriers and agents.
- *4: Indicates manufacturers of personal computers and digital consumer electronics (printers, digital cameras, security software, etc.), as well as broadband service (ADSL, optical fiber) providers.
- *5: Indicates the financial industry such as banks and credit-card firms
- *6: Indicates consumer products manufacturers, apparel companies, and call centers excluding 3, 4, 5, above.

3 Quantitative Information on Consolidated Financial Conditions

① Assets, liabilities, and capital

Assets as of the end of the Third quarter increased by ¥118 million from the previous year to ¥3,117 million.

This is due mainly to the 49 million yen increase in uncollected balance accounted as current assets, etc., the 132 million yen increase in cash and deposit, and the 101 million increase in good will respectively generated by including JBtoB Co.Ltd. in the scope of consolidation account and consolidating such subsidiary's balance sheet into ours during the current consolidated accounting third quarter, despite the 190 million yen decrease in notes and accounts receivable.

Liabilities decreased by ¥48 million from the previous year to ¥1,252 million. This is primarily due to the fact that although there was a 55 million yen increase in trade liabilities, making of interim payment resulted in 116 million yen decrease in income taxes payable.

Net assets increased by ¥1,864 million from the previous year to ¥167 million.

The equity ratio improved by 0.1 points from the previous year to 56.3%.

② Statement of Cash Flows

The balance of cash and cash equivalents (hereinafter "cash") on a consolidated basis as of the end of the third quarter increased by ¥72 million from the previous year to ¥1,046 million (7.5% increase from the end of the previous year).

(Cash flow in operating activities)

Cash gained in operating activities was 209 million yen (income for the corresponding period of the previous year was 276 million yen). This is due mainly to the 195 million yen increase in quarterly net income before taxes and the 209 million yen decrease in accounts receivable despite of the paid 217 million yen in corporation and other taxes.

(Cash flow in investing activities)

Cash used in investing activities was 91 million yen (during the corresponding period of the previous year the payment was 38 million yen). This is attributable mainly to the payment of 90 million yen for purchase of shares of subsidiaries accompanying changes in the scope of consolidation, and the payment of 20 million yen

for purchases of investment securities, in spite of 24 million yen, proceeds from return of deposits and guarantees.

(Cash flow in financing activities)

Cash used in financing activities was ¥45 million (expenditure of ¥50 million during corresponding period of the previous year). This is due primarily to the payment of ¥43 million as dividend payment.

3. Quantitative Information on Consolidated Results Forecast

As was stated in the Notice of Revision of the Full-Term Consolidated Performance Forecast and the Fiscal Year-End Dividend Forecast announced on January 12, 2010, the net sales were influenced by the decline in economy originating in global financial instability and resulting decline in the employment environment which result in a reduced personal consumption, and, hence, the sluggish sales, which continued longer than was expected in the retail segments handling mobile phones and consumer electronics. Under these situations, the expected net sales for the full-term fiscal year ending on March 31, 2011 was reduced by 700 million yen from the initial forecast to 12,000 million yen, due primarily to the continuous decline in the orders for temporary staff to work as shop-front personnel or as staff for planning and execution of sales promotion campaigns in the fields of sales/promotion support in which our company is active, as well as the slide of contract acquisition period of batch consignment contracts that cover wide areas as part of planning for the 4th period.

In terms of profits, decrease in gross profit in sales was not eliminated due to cost reduction requests from clients and the increase of staff training cost, in spite of some success due to making efforts to reduce recruitment costs by improving recruiting efficiency, to improve operational efficiency through the consolidation and abolition of business sites, and to work on Group-wide cost reduction. Hence, the expected operating income was reduced by 185 million yen to 311 million yen, the expected ordinary income was reduced by 178 million yen to 314 million yen, and the expected net income was reduced by 96 million yen to 180 million yen.

Although the environment is still severe, we will make efforts to increase order acquisition by utilizing our sales assist/sales promotion expertise accumulated over a long time and offering high-quality service propositions on a nation scale, while building new frame work through the business partnership with REQUEST INC. to enhance our field marketing business and the consolidation of JBtoB Co.Ltd. as a subsidiary company to enhance our market research activities and to expand our solution service relating to corporate sales promotions. Furthermore, we will make our best efforts to enhance our corporate structure and improve our profitability by differentiating the Group from competitors, promptly responding to diversifying customer needs, and providing high-quality services.

*The business forecast is based on the information available as of the date the forecasts were announced and involves potential risks, as well as uncertain factors. Hence, the actual results may differ from the forecast values, depending on future changes in a variety of factors.

4. Others

(1) Changes in important subsidiaries during the fiscal year (Changes to designated companies that fall within the amended scope of consolidation)

Since the Group acquired 69.55% of shares of JBtoB Co.Ltd. as of December 29, 2009, the acquired company was included in the scope of consolidation from the current consolidated accounting third quarter.

However, as the deemed acquisition date for the subsidiary company was set as the last day of the current consolidated accounting third quarter, only balance sheet of the subsidiary was consolidated into the balance

sheet of the Group.

(2) Adoption of simplified accounting method or accounting methods specific to quarterly consolidated financial statements

None

(3) Changes in accounting principles, procedures, presentation methods, relating to the preparation of quarterly consolidated financial statements

None

5. Consolidated Balance sheet and Income statement

(1) Consolidated for the Third Quarter Balance Sheets

(Unit : Thousands of yen)

Item	FY2010	FY2009
	(December 31, 2009)	(March 31, 2009)
	Amount	Amount
Assets		
I Current Assets		
1. Cash and cash equivalents	1,106,390	973,512
2. Notes and accounts receivable	1,352,548	1,543,228
3. Deferred tax assets	56,922	59,342
4. Others	114,836	53,884
Allowance for doubtful accounts	-2,751	-5,428
Total currents assets	2,627,947	2,624,538
II Fixed Assets		
1. Property and equipment		
(1) Buildings and structures (net)	30,573	35,382
(2) Tools, furnitures and fixtures (net)	24,391	24,154
(3) Lease assets(net)	7,226	-
Total fixed assets	62,191	59,536
2. Intangible fixed assets		
(1) Goodwill	112,416	-
(2) Software	29,828	43,105
(3) Others	1,784	14,253
Total intangible fixed assets	144,029	57,359
3. Investments and other assets		
(1) Investments in securities	35,862	21,204
(2) Deposits and guarantees	187,000	210,297
(3) Deferred tax assets	55,348	25,758
(4) Others	11,059	3,530
Allowance for doubtful accounts	-5,965	-3,530
Total investments and other assets	283,304	257,260
Total fixed assets	489,524	374,156
Total Assets	3,117,472	2,998,695

(Note) Figures have been rounded down to the nearest thousandth of yen.

(Unit : Thousands of yen)

Item	FY2010	FY2009
	(December 31, 2009)	(March 31, 2009)
	Amount	
LIABILITIES		
I Current Liabilities		
1. Notes and accounts payable	67,042	60,684
2. Trade liabilities	131,863	76,319
3. Income taxes payable	377	117,179
4. Consumption tax payable	101,794	146,426
5. Accrued expenses	712,430	725,467
6. Allowance for bonus payable	41,729	73,076
7. Others	191,977	101,779
Total current liabilities	1,247,215	1,300,933
II Fixed Liabilities		
1. Lease obligation	5,341	-
Total fixed liabilities	5,341	-
Total Liabilities	1,252,556	1,300,933
SHAREHOLDERS' EQUITY		
I Shareholder's equity		
1. Capitalization	406,970	406,970
2. Capital surplus	432,958	432,958
3. Retained earnings	1,294,665	1,227,609
4. Treasury stock	-382,410	-382,410
Total Shareholders' Equity	1,752,183	1,685,127
II Valuation and translation adjustments		
1. Net unrealized gain/loss on other securities	2,083	561
Total valuation And translation adjustments	2,083	561
III Stock acquisition rights	24,367	12,073
IV Minority interest	86,280	-
Total net assets	1,864,915	1,697,762
Total Liabilities And Net Assets	3,117,472	2,998,695

(Note) Figures have been rounded down to the nearest thousandth of yen.

(2) Consolidated Income Statements

(April 1, 2009 – December 31, 2009)

(Unit : Thousands of yen)

Item	FY2009 3Q (April 1, 2008 –December 31, 2008)	FY2010 3Q (April 1, 2009 - December 31, 2009)
	Amount	
I Net sales	9,774,870	8,880,058
II Cost of sales	7,420,270	6,900,995
Gross profit on sales	2,354,599	1,979,062
III selling, general and administrative expenses	2,085,898	1,770,236
Operating Income	268,700	208,826
IV Non-operating revenues		
1. Interest received	494	456
2. Dividends received		
3. Commissions receivable	151	-
4. Reversal of unpaid dividends	155	137
5. Interest on refund of income taxes	280 135	1,085 -
6. Indemnity receivable	-	2,364
7. Others	47	141
Total non-operating revenues	1,263	4,183
V Non-operating income		
1. Commitment fee	1,906	904
2. Others	86	-
Total non-operating income	1,993	904
Ordinary income	267,971	212,106
VI Extraordinary gains		
1. Reversal of reserve for bonuses	2,062	1,138
Total extraordinary gains	2,062	1,138
VII Extraordinary Loss		
1. Loss on sale of fixed assets	199	-
2. Loss on retirement of fixed assets	238	171
3. Write-down of investment securities	42,470	6,741
4. Impairment loss	28,657	1,610
5. Expenses for restoration to original state	4,390	2,442
6. Penalty charges for terminating office lease contract	3,347	2,115
7. Cancellation penalties	1,500	4,909
Total extraordinary loss	80,803	17,990
Net income before taxes	189,230	195,253
Corporate tax, resident tax and business tax	105,910	50,395
Income taxes adjustments	-1,127	34,970

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Total corporate tax	104,783	85,365
Net income	84,447	109,887

(October 1, 2009 - December 31, 2009)

(Unit : Thousands of yen)

Item	FY2009 3Q (October 1, 2008 –December31, 2008)	FY2010 3Q (October 1, 2009 – December 31, 2009)
	Amount	
I Net sales	3,352,964	2,890,114
II Cost of sales	2,542,284	2,286,213
Gross profit on sales	810,680	603,900
III selling, general and administrative expenses	677,802	570,806
Operating Income	132,877	33,094
IV Non-operating revenues		
1. Interest received	–	170
2. Commissions receivable	54	44
3. Indemnity receivable	–	1,624
4. Others	3	37
Total non-operating revenues	58	1,877
V Non-operating income		
1. Commitment fee	302	302
Total non-operating income	302	302
Ordinary income	132,633	34,669
Extraordinary gains		
1. Reversal of reserve for Allowance for doubtful accounts	–	2,489
Total extraordinary gains		2,489
VI Extraordinary Loss		
1. Loss on sale of fixed assets	–	54
2. Write-down of investment securities	–	6,741
3. Impairment loss	1,641	–
4. Expenses for restoration to original state	507	–
5. Penalty charges for terminating office lease contract	499	–
6. Cancellation penalties	1,500	–
Total extraordinary loss	4,148	6,795
quarterly net income before income taxes or quarterly net loss before income taxes	128,485	30,363
Corporate tax, resident tax and business tax	34,867	–6,860
Income taxes adjustments	22,640	21,910
Total corporate tax	57,508	15,050
Net income	70,977	15,313

(3) Consolidated Statement of Cash Flows

(Unit: Thousands yen of yen)

	FY2009 3Q (April 1, 2008 –December 31, 2008)	FY2010 3Q (April 1, 2009 –December 31, 2009)
	Amount	
I Cash flow operating activities		
Net income before income taxes and minority interests	189,230	195,253
Depreciation and amortization	37,057	30,279
Impairment loss	28,657	1,610
Changes in provision for doubtful accounts	1,099	-476
Changes in provision for bonuses	-25,124	-33,757
Interest and dividend income	-645	-456
Loss on retirement of fixed assets	238	171
Loss on sale of fixed assets	199	-
Loss (gain) on valuation of investment securities	42,470	6,741
Change in accounts receivable	139,628	209,612
Change in accounts payable	-44,493	6,358
Change in consumption tax payable	35,280	-46,288
Changes in accrued expenses	49,199	-13,734
Change in trade liabilities	-15,633	-1,898
Others	89,001	73,467
Subtotal	526,167	426,883
Interest and dividends received	645	128
Income taxes paid	-250,101	-217,529
Net cash from operating activities	276,711	209,482
II Net cash from operating		
Payments for purchases of property and equipment	-14,889	-2,429
Proceeds from sales of property and equipment	8	-
Payments for purchases of intangible fixed assets	-14,376	-2,823
Purchases of investment securities	-	-20,000
Proceeds from business transfer	3,000	-
Proceeds from cancel of the deposits and guarantees	-15,603	-91
Proceeds from withdrawal of time deposits	3,879	24,763
Payments for purchase of shares of subsidiaries accompanying changes in the scope of consolidation	-493	-90,986
Net cash from investing activities	-38,474	-91,567
III Cash flow from financing activities		
payments of investment securities	-	-1,413
Payments for dividends	-50,814	-43,679
Cash flow from Financing Activities	-50,814	-45,093
IV Change in cash and cash equivalents	187,422	72,822
V Cash and cash equivalents at the beginning of the period	828,350	973,512
VI Cash and Cash equivalents, end of Fiscal year	1,015,772	1,046,334

(4) Notes on the premises of a going concern

None

(5) Segment Information

〔Industry segments〕

For the three months ended December 31, 2008 (October 1, 2008 to December 31, 2008)

(Unit: Thousands yen of yen)

	Outsourcing business	Temporary Staffing	Total	Eliminations and corporate	Consolidated
Net Sales	1,180,746	2,172,608	3,353,354	-390	3,352,964
Operating expenses	1,104,999	2,052,614	3,157,613	62,473	3,220,087
Operating Income	75,746	119,994	195,740	-62,863	132,877

For the three months ended December 31, 2009 (October 1, 2009 to December 31, 2009)

(Unit: Thousands yen of yen)

	Outsourcing business	Temporary Staffing	Total	Eliminations and corporate	Consolidated
Net Sales	1,053,255	1,837,721	2,890,976	-862	2,890,114
Operating expenses	1,016,954	1,777,912	2,794,867	62,152	2,857,019
Operating Income	36,300	59,808	96,109	-63,014	33,094

For the nine months ended December 31, 2008 (April 1, 2008 to December 31, 2008)

(Unit: Thousands yen of yen)

	Outsourcing business	Temporary Staffing	Total	Eliminations and corporate	Consolidated
Net Sales	3,917,748	5,868,193	9,785,941	-11,071	9,774,870
Operating expenses	3,712,937	5,617,945	9,330,883	175,286	9,506,169
Operating Income	204,810	250,247	455,058	-186,357	268,700

For the nine months ended December 31, 2009 (April 1, 2009 to December 31, 2009)

(Unit: Thousands yen of yen)

	Outsourcing business	Temporary Staffing	Total	Eliminations and corporate	Consolidated
Net Sales	3,267,679	5,615,145	8,882,824	-2,766	8,880,058
Operating expenses	3,112,551	5,365,652	8,478,204	193,027	8,671,231
Operating Income	155,127	249,492	404,620	-195,793	208,826

Geographical segments

This section has been abridged, as the Company has no overseas consolidated subsidiaries or important overseas offices.

6. Production, Orders and Sales

(1) Production

This section has been abridged, as there is no relevant information concerning production due to the nature of the services that the Company provides (outsourcing and temporary staffing).

(2) Orders

This section has been abridged because orders for the services that the Company provides (outsourcing and temporary staffing) consist of both long-term contracts and short-term appointments, which makes accurate analysis of order volume difficult.

(3) Sales

Sales by business segment for the fiscal period under review are as follows:

(Unit: Thousands yen of yen, %)

Business Segment	FY2009 3Q		FY2010 3Q	
	Amount	Share	Amount	Share
Outsourcing business	3,906,676	40.0	3,264,912	36.8
Temporary Staffing	5,868,193	60.0	5,615,145	63.2
Total	9,774,870	100.0	8,880,058	100.0

Note: Amounts do not include consumption tax.