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For Immediate Release

Pasona Group Inc.

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Listing Code No.: 2168

Listing: First Section, Tokyo Stock Exchange

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**Notice Concerning Revisions to Business Results Forecasts
for the Fiscal Year Ended May 31, 2017**

Taking into consideration recent performance trends, Pasona Group Inc. (hereafter “Pasona Group” or “the Company”) today announced revisions to its business results forecasts for the fiscal year ended May 31, 2017 previously disclosed on July 15, 2016. Brief details are as follows.

(1) Consolidated business results forecasts for the fiscal year ended May 31, 2017)

(June 1, 2016 to May 31, 2017)

(Millions of yen unless otherwise stated)

	Net Sales	Operating Income	Ordinary Income	Profit/Loss attributable to Owners of Parent	Net Income per Share (Yen)
Previous Forecast (A)	283,000	4,300	4,200	500	13.59
Revised Forecast (B)	280,300	4,500	4,300	(130)	(3.53)
Net Change (B – A)	(2,700)	200	100	(630)	
Net Change (%)	(1.0)	4.7	2.4	-	
(Reference) Fiscal Year Ended May 31, 2016	263,728	3,860	3,855	243	6.62

(2) Rationale

Net sales, operating income and ordinary income exceeded the previous year’s levels, reflecting solid demand for human resources throughout the period. As a result, operating income and ordinary income for the full year to be announced are expected to exceed our forecast, while net sales will essentially be in line with our forecast.

Despite strong performance by the Outsourcing business, profit attributable to owners of parent will fall short of our forecast due to an increase in tax burdens caused by unsuccessful attempts by certain subsidiaries to reduce losses, in addition to an impairment loss on non-current assets claimed in the third quarter. For these reasons, the full-year forecast for the year ended May 31, 2017 announced on July 15, 2016 has been revised.

Cash dividends of 12 yen per share, as forecasted on July 15, 2016, remain unchanged in light of general business conditions and our policy of continuously delivering adequate and stable returns to shareholders.

Disclaimer: The aforementioned forecasts are based on information available to management as of the date of this press release. As a result, information included in this document involves risks and uncertainties that may cause actual results to differ materially from forecasts due to a variety of factors.