

Results for the Fiscal Year Ended May 2011

Pasona Group Inc.
First Section TSE (2168)

July 21, 2011
<http://www.pasonagroup.co.jp/>

Established a disaster countermeasures office

Took steps to confirm the safety of employees and temporary staff

Launched “Disaster Work Rescue”

Job assistance center for those affected by the disaster
Provide employment opportunity and housing support information

Undertook nationwide activities in support of those affected by the disaster on behalf of local government authorities

(Contract service examples)

- The Earthquake Disaster Victim JOB Phoenix Project — Osaka Prefectural Government
- The Agriculture Employment Support Project 2011 — Iwate Prefecture
- The New Graduate / Young Persons Employment Support and other projects — Kobe City

Implemented volunteer leave programs

Employees undertook volunteer work of their own volition in Higashi-matsushima City, Miyagi Prefecture

Implemented at a pace of once monthly; an aggregate total of more than 120 employees participated

Benefit One Inc. took steps to help plan the Tohoku Rokkon Festival

Participated in plans to bring the festivals of six prefectures in the Tohoku region to Sendai and hold collectively as the Tohoku Rokkon Festival

Cooperated with regional disaster relief efforts by local government authorities; made significant contributions to reconstruction of the Tohoku region

Participated in numerous volunteer activities



1. Summary of Results for the Fiscal Year Ended May 31, 2011 (FY 2010)

Further Expansion of the Insourcing and Outsourcing Businesses

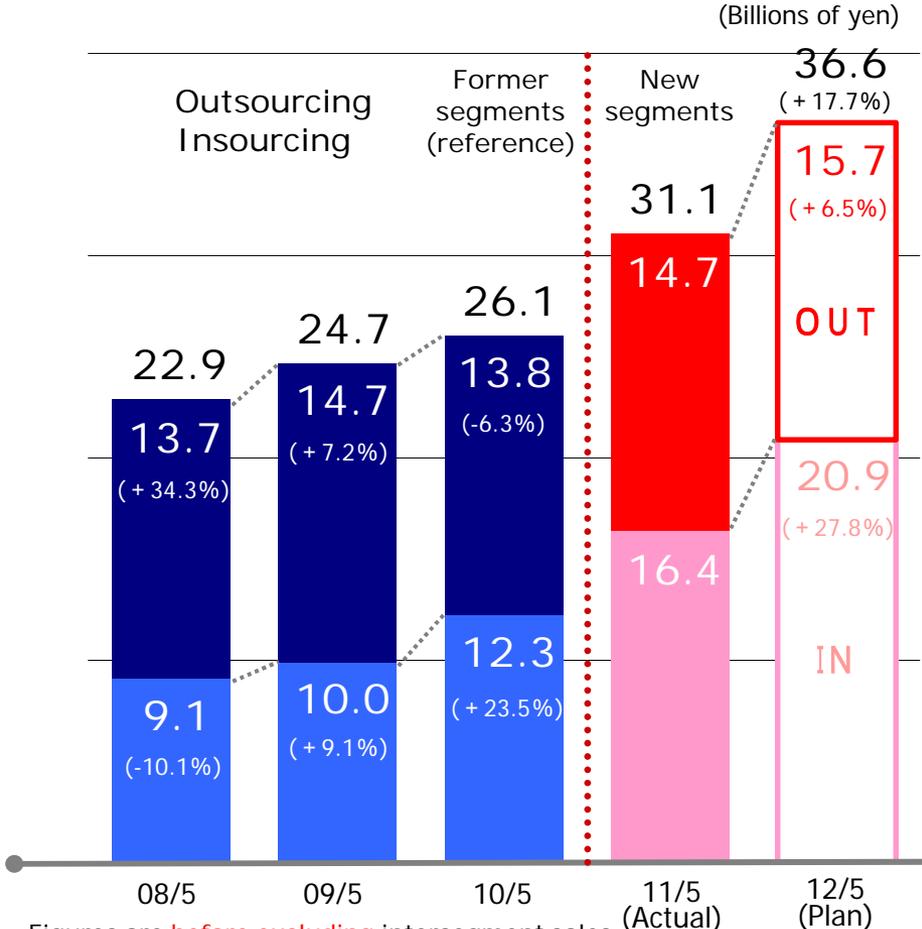
The Insourcing Business

- Increase in public-sector contract work
 - Emergency job creation,
 - Agricultural employment support and other projects
- Successful efforts to build a management structure
 - PMO (Project Management Office)
 - Improvement in the quality of project management through the establishment of a PMO

The Outsourcing Business (Benefit One Inc.)

- Increase in the number of CRM members
 - Efforts to bolster the BtoC market
 - Promoted efforts to cultivate new markets
- Expanded the incentive business
 - Steady increase in points granted
 - focusing mainly on existing customers

Trends in Insourcing and Outsourcing Net Sales



Figures are before excluding intersegment sales
 Figures from 11/5 are based on new segment criteria

Promoted Increased Sophistication and Specialization in Expert Services (Temporary Staffing)

Upgraded and expanded temporary staff education and training programs; created new specialist job types and specialist domains



(Medical)

Medical-related field

- Educated, trained and dispatched medical secretaries
- Expanded peripheral medical operations Health management and other center
- Captured a greater share of the Insourcing business



(Career Counselor)

University-related field

- Educated and trained university career counselors
- Held employment support seminars with universities
- Undertook university library insourcing contract service

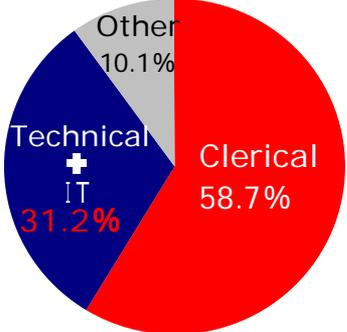


(Information Technology)

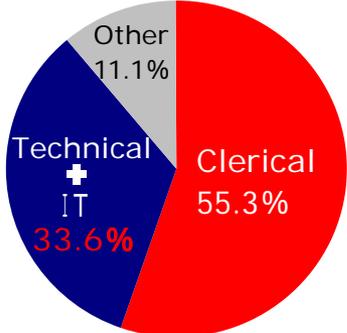
IT-related field

- Established a PC career desk Distributed seminar and work information
- Commenced BI specialist education and training programs
- Educated and trained e-commerce human resources

Composition of Sales by Temporary Staffing Job Type (%)



2010/5

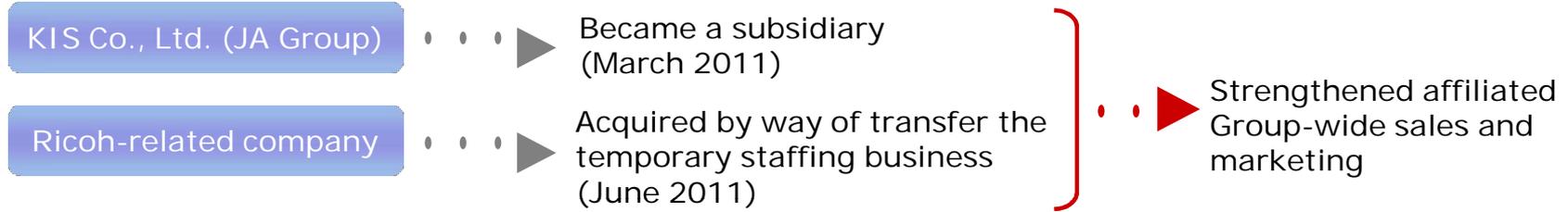


2011/5

Technical includes IT engineering

Promoted Increased Efficiency by Maximizing Group Synergies and Reorganization

M&A



Integration of functions into Pasona



Locations marked in red are areas of new expansion

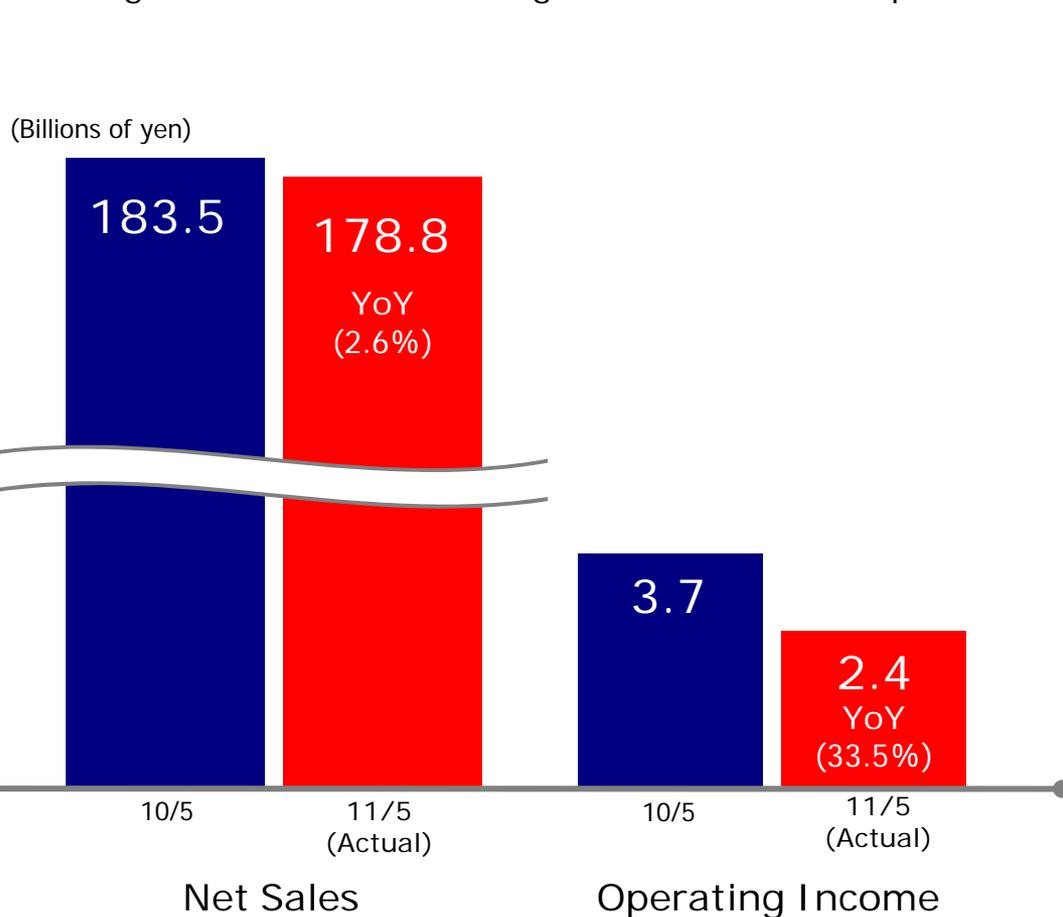
Consolidated Results for the Fiscal Year Ended May 31, 2011

Insourcing and Global Sourcing experienced robust results, Expert Services essentially unchanged from the previous fiscal year; Overall decrease in net sales 2.6% year on year

Drop in Outplacement partly offset by Global Sourcing; Downturn in gross profit of 8.6% year on year

Operating income contracted 33.5% year on year despite a 1.9 billion decline in selling, general and administrative (SG&A) expenses compared with the previous fiscal year

Recorded extraordinary income relating to the gain on sales of investment securities; incurred operating losses relating to asset retirement obligations and the earthquake



(Millions of yen)

Consolidated	10/5	11/5
Net Sales (YoY)	183,515 (-16.1%)	178,806 (-2.6%)
Cost of Sales	146,784 (-16.2%)	145,247 (-1.0%)
Gross Profit	36,731 (-15.7%)	33,558 (-8.6%)
SG&A Expenses	33,070 (-18.8%)	31,125 (-5.9%)
Operating Income	3,660 (+28.4%)	2,432 (-33.5%)
Ordinary Income	4,044 (+20.3%)	2,571 (-36.4%)
Net Income	204 (-34.5%)	412 (+101.4%)

2. Strategic Priorities for the Fiscal Year Ending May 31, 2012

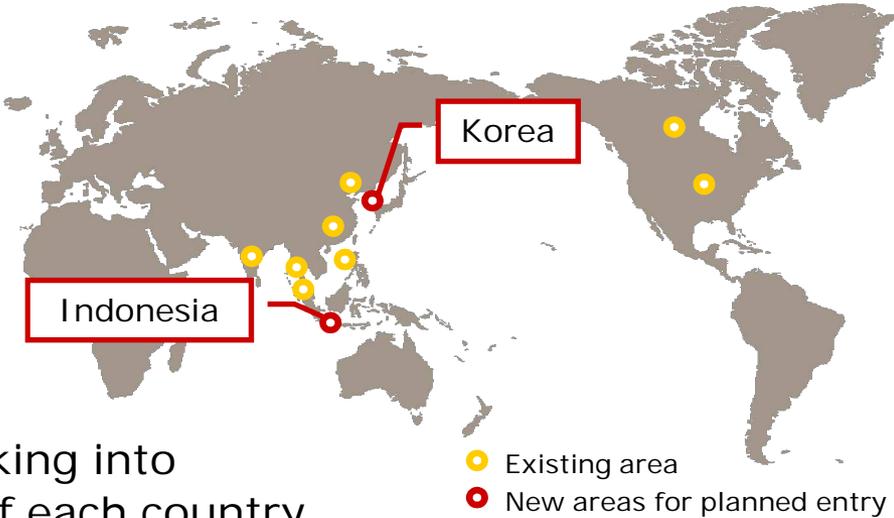
Proactive Development of the Global Sourcing and Overseas-Related Businesses

Expand service areas

Actively open branches in new areas
Plan to significantly expand service areas

· New areas for planned entry  Korea, Indonesia

· Promote the opening of branches by existing overseas subsidiaries



Upgrade and expand the service menu

Upgrade and expand the service menu taking into consideration the status and conditions of each country
Develop comprehensive human resources services

Educate and train global human resources

Strengthen and Expand the Insourcing Business

Strengthen sales and marketing in the public-sector market

Utilize accumulated know-how



- Promote large-scale project contract services
- New graduate employment support project
- Emergency employment creation business; other
- Contract service proposals focusing on office-related operations



Promote the conversion to specialist subsidiary companies

Consolidate the know-how of specialist subsidiaries; accelerate business growth

- Marketing and sales fields
- Patent-related fields



- Pasona Marketing Inc.
- Kantou Employment Creation Organization Inc.;
- Kansai Employment Creation Organization Inc.

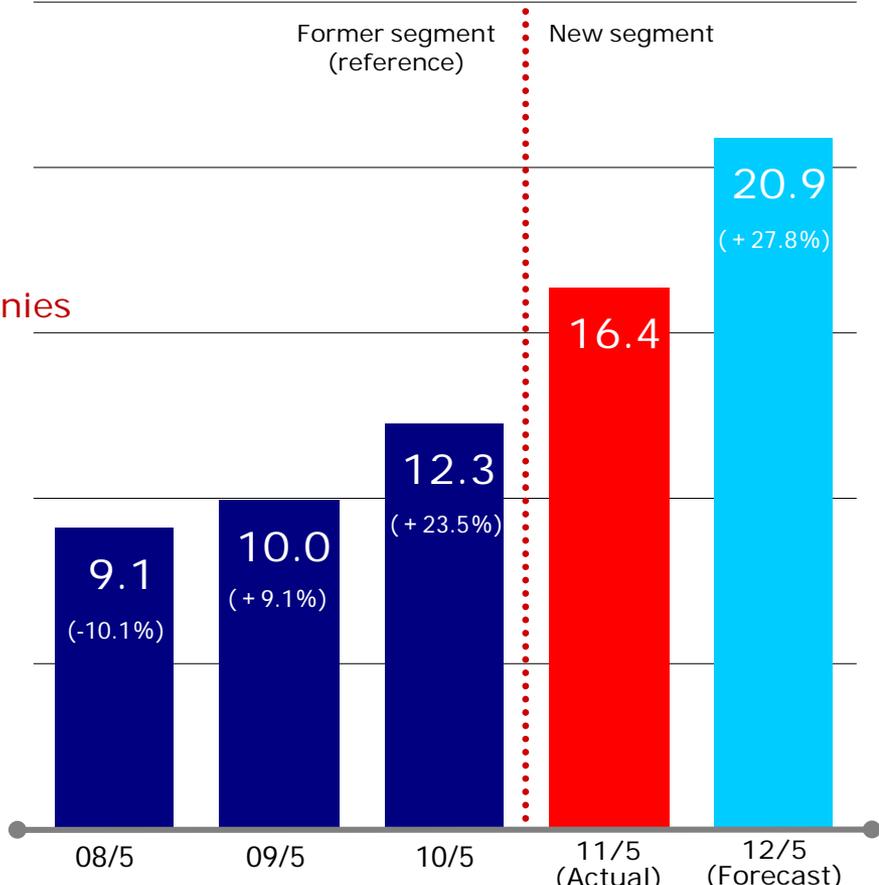


Upgrade and expand the Project Management Office (PMO) function

Promote project management, the sharing of know-how as well as project manager (PM) education and training; enhance the level of proposal and business management capability

Trends in Insourcing Sales

(Billions of yen)



Figures are before excluding intersegment sales
 Figures from 11/5 are based on new segment criteria

Expand the Business Process Outsourcing (BPO) Business

Establish a new BPO Center

Establish a BPO Center in Osaka

- ➔ Expand business scale in the Kansai area
- ➔ Upgrade and expand the human resources education and training function

Commence full-fledged operations at overseas BPO centers

China (Dalian) BPO Center

- ➔ Toward an increased personnel structure

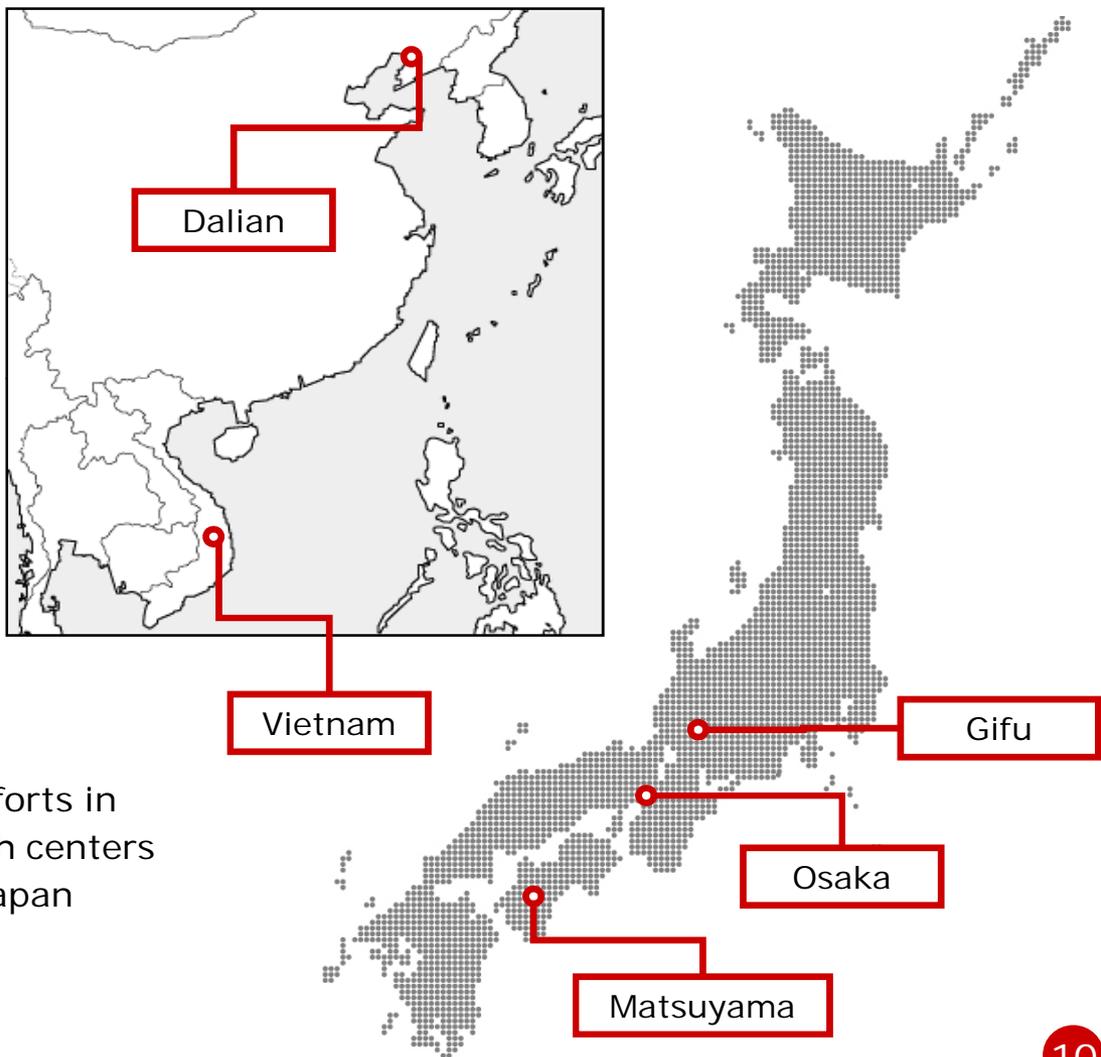
Vietnam BPO Center

- ➔ Enhance quality

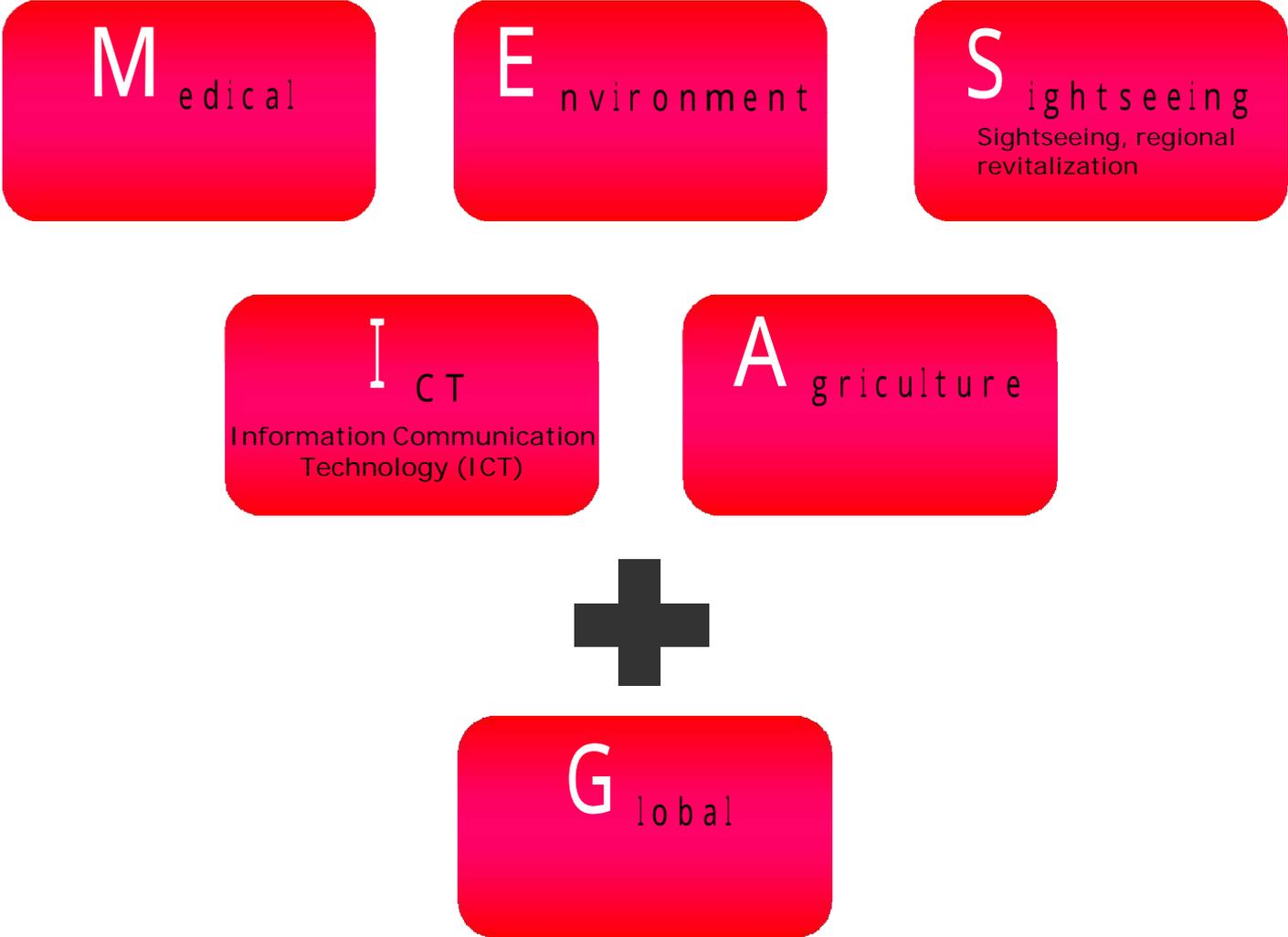
Develop BPO centers in Japan

In addition to ongoing BPO Center efforts in Matsuyama and Gifu, plan to establish centers in regional urban areas throughout Japan

Promote work at home



Over the five-year period through to 2015, the Group will focus on specific key words



M_{edical}

Expand the hospital insourcing service menu

Promote the insourcing of internal hospital administrative operations

Plan to establish day service centers

Newly establish five day service centers in Japan 6 bases 11 bases



A_{griculture}

Develop in earnest the agriculture business

Strengthen the specified corporation agriculture support program

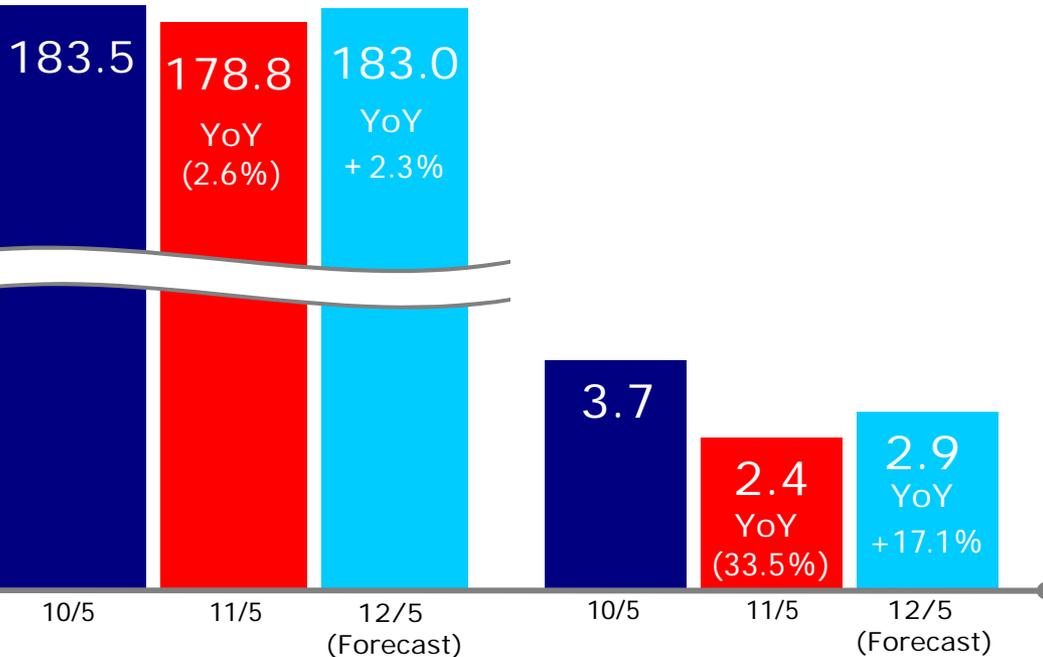
- Establish Pasona Agri Partners (tentative name)
- Establish agricultural production corporations

 Near this Autumn



Supported by reconstruction demand, forecast of a recovery in business confidence from the second half; increase in revenue and earnings projected
 Expected recovery in Expert Services from the second half
 Projected growth in Insourcing and Place & Search
 Slight increase in SG&A expenses; despite ongoing efforts to reduce costs, this is attributable to strategic investment activity

(Billions of yen)



(Millions of yen)

Consolidated	11/5	12/5 (Forecast)
Net Sales (YoY)	178,806 (-2.6%)	183,000 (+2.3%)
Cost of Sales	145,247 (-1.0%)	148,650 (+2.3%)
Gross Profit	33,558 (-8.6%)	34,350 (+2.4%)
SG&A Expenses	31,125 (-5.9%)	31,500 (+1.2%)
Operating Income	2,432 (-33.5%)	2,850 (+17.1%)
Ordinary Income	2,571 (-36.4%)	2,900 (+12.8%)
Net Income	412 (+101.4%)	650 (+57.5%)

Dividend Policy

Basic policy to deliver adequate returns to shareholders while taking into consideration performance; Target a consolidated payout ratio of 25% while at the same time providing continuous and stable dividends

Dividends

Plan to increase dividend by ¥200 per share to ¥1,200 per share for the fiscal year ending May 31, 2012

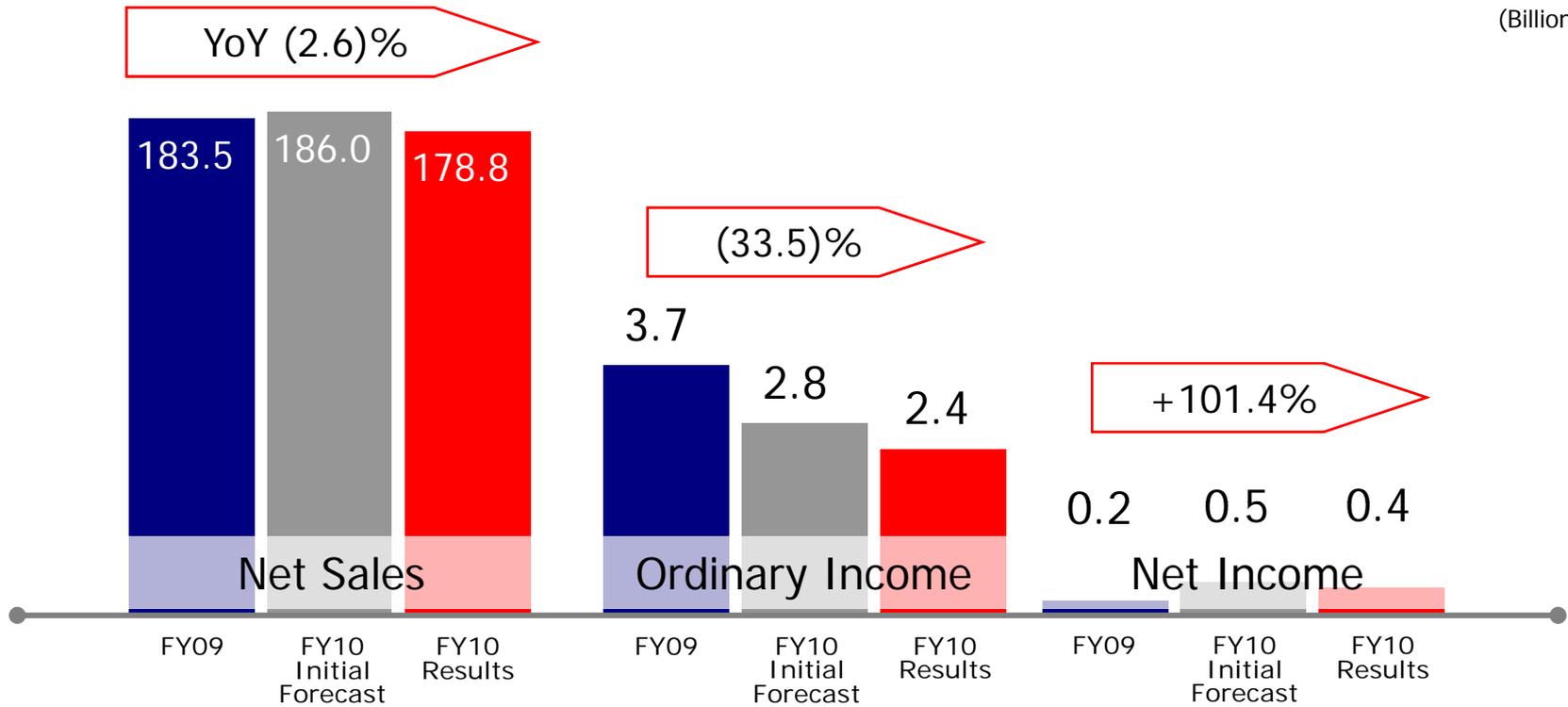
11/5 Dividend per share **¥1,000** (Interim ¥- **Period-End ¥1,000**)

12/5 Forecast dividend per share **¥1,200** (Interim ¥- **Period-End ¥1,200**)

	2007	2008	2009	2010	2011	2012 (Forecast)
Cash dividend per share (Yen)	2000	2,500	1,250	500	1,000	1,200
Payout ratio (consolidated)	20.0%	35.2%	149.8%	88.5%	90.8%	69.1%

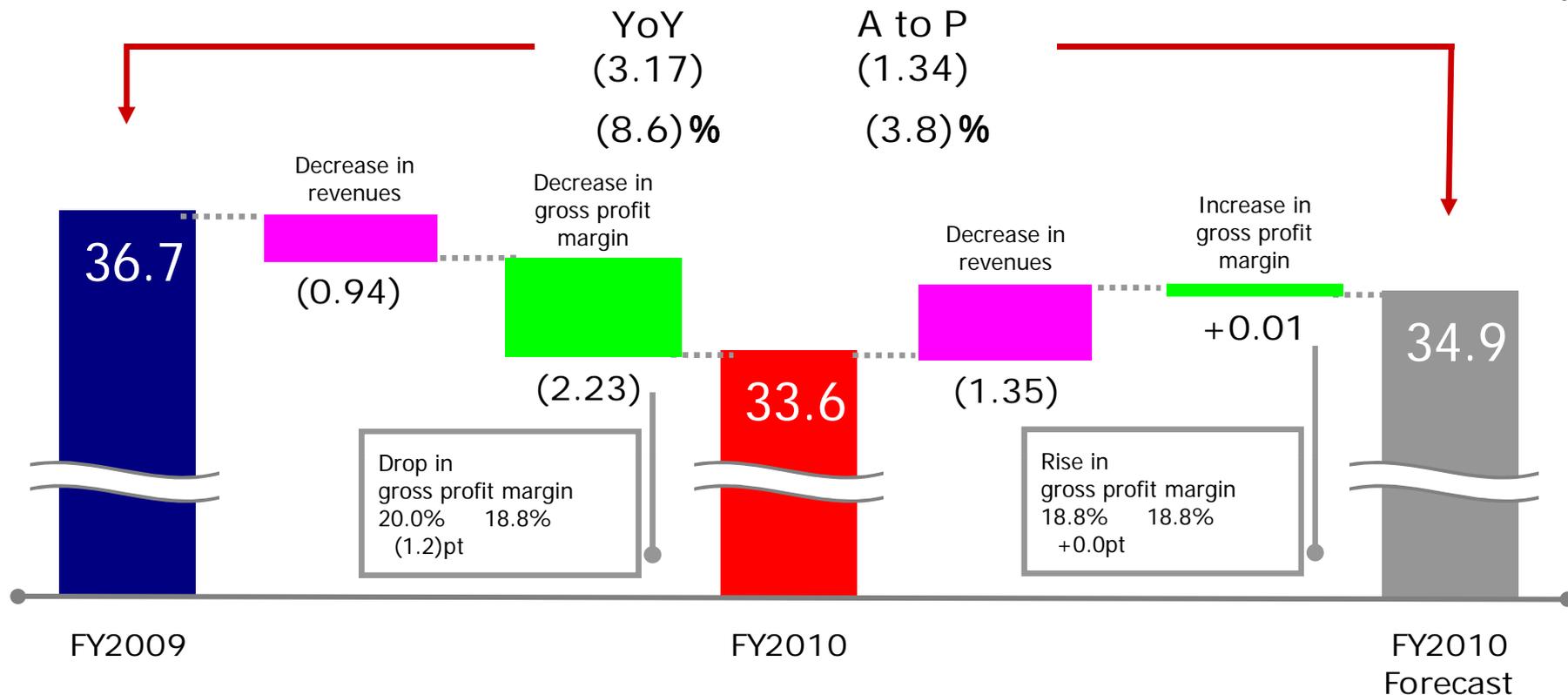
3. Results for the Fiscal Year Ended May 31, 2011

(Billions of yen)



(Millions of yen)	FY09	to net sales	FY10 Initial forecast	to net sales	FY10	to net sales	vs FY09 Increase/Decrease	%	vs Initial forecast Increase/Decrease	%
Net Sales	183,515	100.0	186,000	100.0	178,806	100.0	(4,709)	(2.6)%	(7,193)	(3.9)%
Cost of sales	146,784	80.0	151,100	81.2	145,247	81.2	(1,537)	(1.0)%	(5,852)	(3.9)%
Gross profit	36,731	20.0	34,900	18.8	33,558	18.8	(3,172)	(8.6)%	(1,341)	(3.8)%
SG&A expenses	33,070	18.0	32,100	17.3	31,125	17.4	(1,945)	(5.9)%	(974)	(3.0)%
Operating income	3,660	2.0	2,800	1.5	2,432	1.4	(1,227)	(33.5)%	(367)	(13.1)%
Ordinary income	4,044	2.2	2,900	1.6	2,571	1.4	(1,472)	(36.4)%	(328)	(11.3)%
Net income	204	0.1	500	0.3	412	0.2	207	101.4%	(87)	(17.5)%

(Billions of yen)

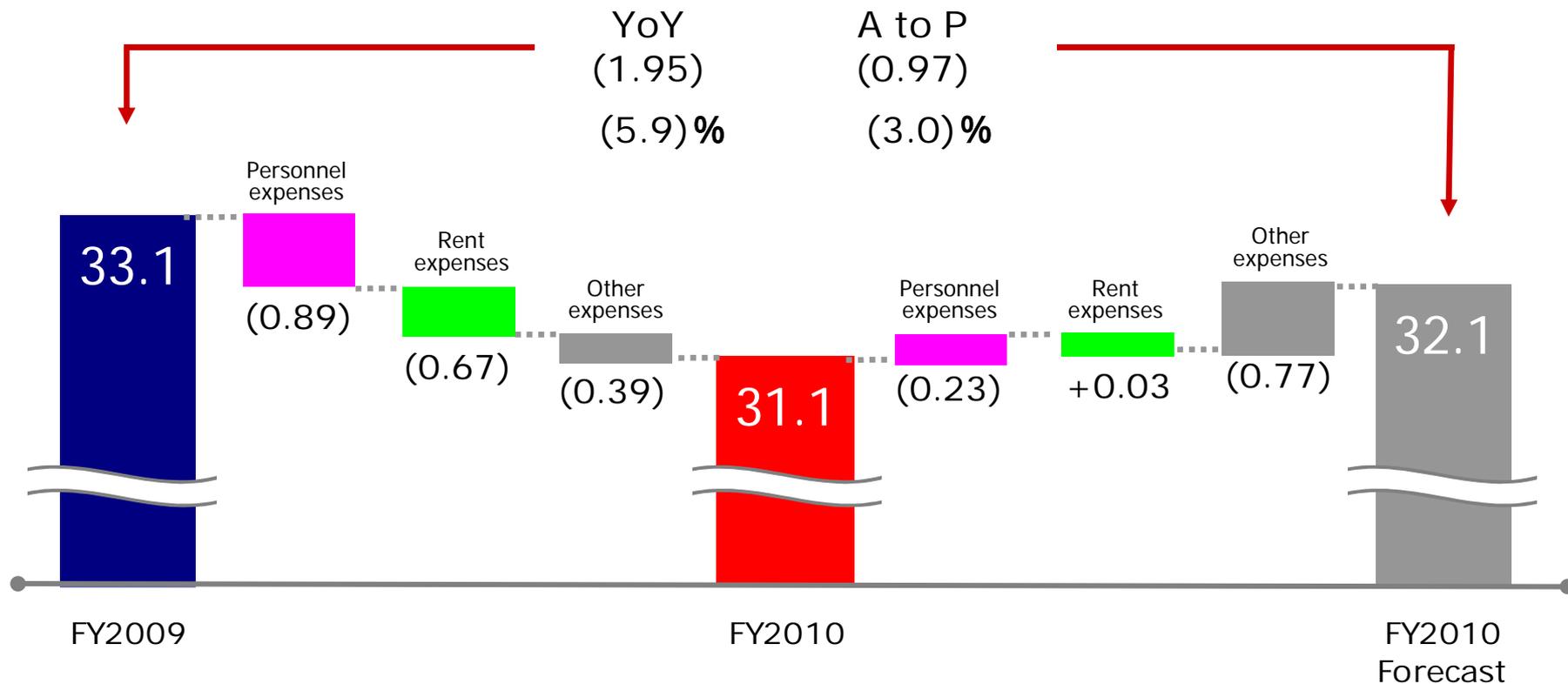


(Billions of yen)

	FY09	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	VS FY2009
Gross profit	36.73	8.14	8.03	8.38	9.00	33.56	(3.17)
Gross profit margin	20.0%	18.3%	18.1%	19.2%	19.5%	18.8%	(1.2)pt

SG&A expenses

(Billions of yen)



(Billions of yen)

	FY09	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	VS FY2009
Personnel	18.92	4.50	4.57	4.45	4.50	18.03	(0.89)
Advertisement and recruitment	0.80	0.16	0.19	0.23	0.22	0.79	(0.01)
IT	2.24	0.46	0.51	0.46	0.54	1.97	(0.27)
Rent	4.23	0.88	0.90	0.87	0.91	3.56	(0.67)
Other	6.88	1.83	1.65	1.61	1.69	6.77	(0.11)
Total	33.07	7.83	7.81	7.63	7.86	31.13	(1.95)

Non-operating/Extraordinary income (loss) , Others

(Millions of yen)

	FY09	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	vs FY09 Increase/Decrease	YoY	VS forecast	%
Operating income	3,660	310	220	750	1,145	2,432	(1,227)	(33.5)%	(367)	(13.1)%
Non-operating income	581	90	123	60	163	437	(144)	(24.8)%		
Non-operating expenses	197	81	85	63	68	298	100	50.9%		
Ordinary income	4,044	319	258	747	1,240	2,571	(1,472)	(36.4)%	(328)	(11.3)%
Extraordinary income	198	34	2	55	440	523	325	163.6%		
Extraordinary loss	409	488	13	14	85	598	189	46.2%		
Income before income taxes	3,833	(134)	247	788	1,595	2,496	(1,336)	(34.9)%		
Income taxes - current	1,533	170	332	283	746	1,533	0	0.0%		
Income taxes - deferred	1,171	79	(131)	50	(147)	(148)	(1,319)	-		
Minority interests in income	923	86	123	239	249	698	(224)	(24.3)%		
Net income (loss)	204	(471)	(77)	214	747	412	207	101.4%	(87)	(17.5)%

Non-operating income
Compensation income ¥160 million

Extraordinary income
Interest expenses ¥177 million

Extraordinary income
Gain on sale of investment securities ¥463 million

Extraordinary loss
Loss on adjustment for changes of accounting standard for asset retirement obligations (Q1) ¥480 million
Loss on the Great East Japan Earthquake (Q4) ¥63 million

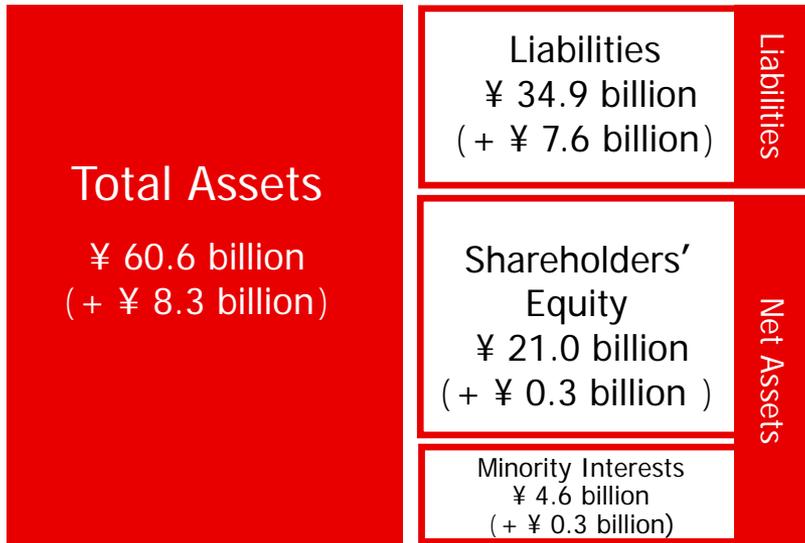
Income taxes - deferred
Reversal of the deferred tax assets and so on

Minority interests in income
Pasona Career Inc. included in the scope of consolidation as wholly owned subsidiary

Financial Position

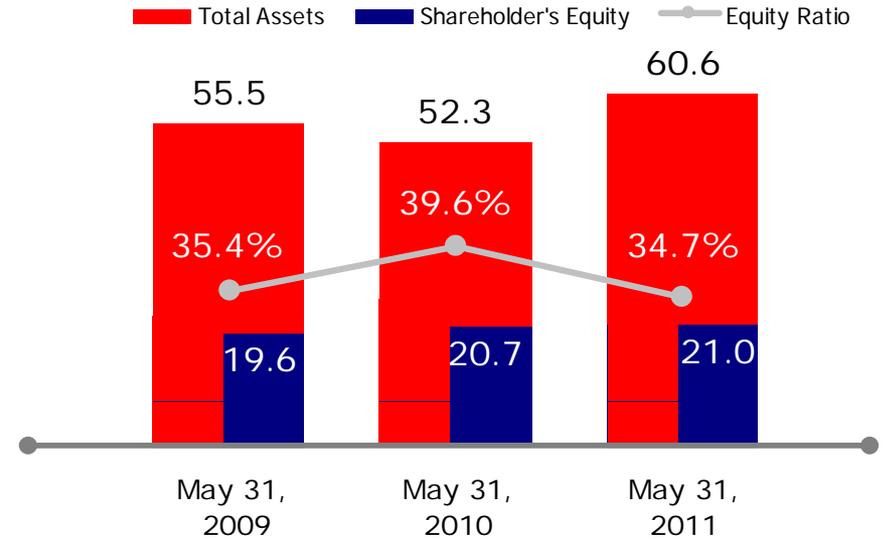
As of May 31, 2011

• Figures in parentheses indicate changes from the end of the previous fiscal year.



Total Assets, Shareholders' Equity, Equity Ratio

(Billions of yen / %)



(Billions of yen)

	May 31, 2010	May 31, 2011	Increase/Decrease
Current assets	35.0	44.4	9.4
Noncurrent assets	17.3	16.2	(1.1)
Total assets	52.3	60.6	8.3
Current liabilities	21.4	25.3	3.9
Noncurrent liabilities	5.9	9.6	3.7
Total liabilities	27.3	34.9	7.6
Total net assets	25.0	25.6	0.7

- Increase in cash and deposits ¥10.0
- Decrease in property, plant and equipment ¥(0.3)
- Decrease in intangible assets ¥(0.5)

- Increase in long-term loans payable ¥3.1
- Increase in accrued expenses ¥2.8
- Increase in short-term loans payable ¥1.4
- Asset retirement obligations ¥0.7

- Net income ¥0.4

Cash Flows

(Billions of yen)	FY09	FY10	Increase/ Decrease	
Cash flows from operating activities	2.9	6.4	3.5	<ul style="list-style-type: none"> Income before income taxes ¥2.5 Increase in operating debt ¥3.0 Depreciation and amortization ¥2.2 Income taxes paid ¥(1.0)
Cash flows from investing activities	(0.4)	0.2	0.6	<ul style="list-style-type: none"> Sales of investment securities ¥1.4 Collection of lease and guarantee deposits ¥0.3 Purchase of investment securities ¥(0.8) Purchase of intangible assets ¥(0.6)
Cash flows from financing activities	(4.3)	3.7	8.0	<ul style="list-style-type: none"> Proceeds from long-term loans payable ¥6.0 Repayment of long-term loans payable ¥(1.4) Cash dividends paid ¥(0.5) Repayments of finance lease obligations ¥(0.3)
Cash and cash equivalents at the end of the period	12.3	22.6	10.2	
Free cash flows	2.5	6.6	4.1	

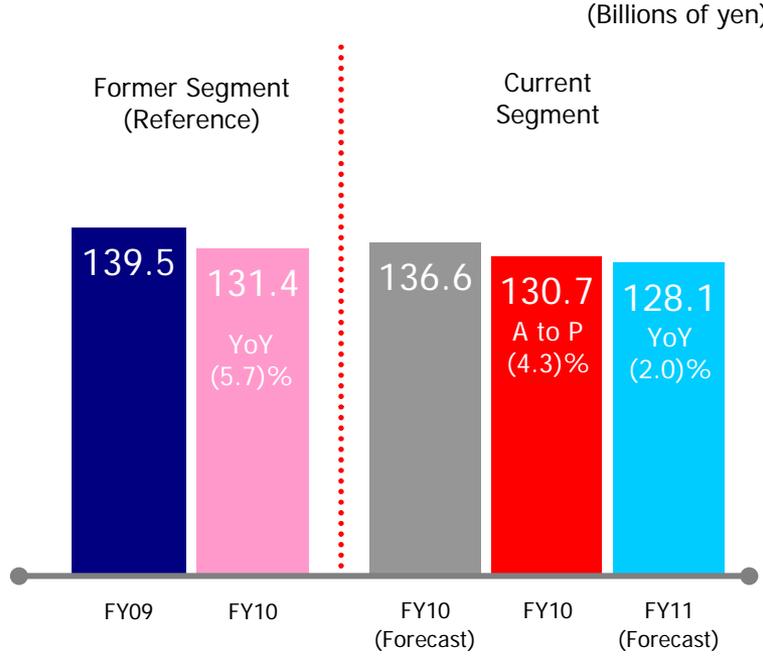
4. Overview by Business Segment

Net Sales

Segment figures include intersegment sales (Former segment figures exclude intersegment sales)

Sales by Staffing Type

New Segments Figures exclude intrasegment sales



Year-on-year percentage increase or decrease data for current segments is not presented due to business segment reclassification.



	FY09 (Reference)	Q1 FY10 (3 months)	Q2 FY10 (3 months)	Q3 FY10 (3 months)	Q4 FY10 (3 months)	FY10	YoY
Clerical	81,713	19,932	18,803	16,500	17,213	72,450	(11.3)%
Technical	25,820	6,328	6,504	7,167	8,060	28,061	8.7%
IT engineering	17,559	4,047	3,972	3,944	4,065	16,029	(8.7)%
Sales and Marketing	7,665	1,949	2,148	2,257	2,222	8,577	11.9%
Other Expert Services	6,368	1,491	1,552	1,841	1,106	5,992	(5.9)%
Total	139,126	33,749	32,981	31,711	32,669	131,111	(5.8)%

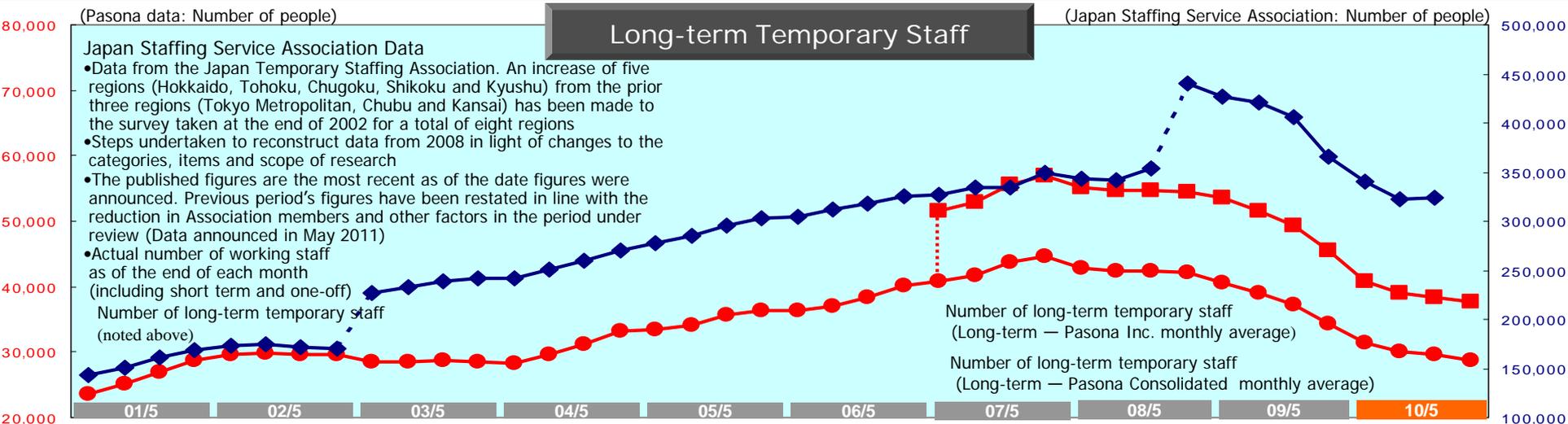
Note: Figures for the corresponding period of the previous fiscal year have been adjusted in accordance with the current segments.

FY10

- Increase in orders across numerous sectors including manufacturing and services
- Trends in the number of temporary staff were essentially unchanged due largely to the direct impact on employment of efforts to regulate temporary staffing job types and the confusion that ensued after the earthquake which constrained demand
- Successfully promoted fostering-type temporary staffing; growth in technical fields
- Increase in demand for sales staff as a result of eco-point incentive program

FY11 Strategies

- Forecast modest recovery in temporary staffing demand due largely to improvements in business confidence as a result of the upswing in reconstruction demand over the second half
- Continue to nurture and enhance temporary staffing in specific types of work
- Strengthen regional base sales and marketing



	FY08				FY09				FY10			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Industry - wide	427,330	421,231	406,455	365,974	339,893	322,598	323,788	315,073	306,253	300,404	305,326	
YoY	-	-	-	(16.8)%	(20.5)%	(23.4)%	(20.3)%	(13.9)%	(9.9)%	(6.9)%	(5.7)%	
Pasona Inc.	40,607	38,923	37,242	34,295	31,384	30,019	29,529	28,659	27,798	27,796	27,927	27,937
YoY	(5.2)%	(8.1)%	(12.1)%	(18.5)%	(22.7)%	(22.9)%	(20.7)%	(16.4)%	(11.4)%	(7.4)%	(5.4)%	(2.5)%
Consolidated (Domestic)	53,615	51,518	49,406	45,535	40,866	38,932	38,398	37,690	36,959	36,989	37,138	37,337
YoY	(2.7)%	(5.5)%	(9.7)%	(16.6)%	(23.8)%	(24.4)%	(22.3)%	(17.2)%	(9.6)%	(5.0)%	(3.3)%	(0.9)%

Three - month Average (Pasona Inc.) Orders (long term)

	Q1	Q2	Q3	Q4
FY09	3,153	3,138	3,207	3,625
YoY	(47.2)%	(37.3)%	1.7%	(5.5)%
FY10	3,959	4,363	4,149	4,332
YoY	25.6%	39.0%	29.4%	19.5%

Contract Starts (long term)

	Q1	Q2	Q3	Q4
FY09	1,836	1,607	1,583	2,015
YoY	(16.6)%	(31.2)%	(9.7)%	(16.1)%
FY10	1,830	2,146	1,972	2,311
YoY	(0.3)%	33.5%	24.6%	14.7%

Contract Completion (long term)

	Q1	Q2	Q3	Q4
FY09	2,282	1,817	1,694	2,582
YoY	(12.7)%	(33.2)%	(33.5)%	(34.1)%
FY10	2,071	2,088	1,987	2,984
YoY	(9.2)%	14.9%	17.3%	15.6%

Reference : Industry - wide 2011

Jan.	Feb.	Mar.	Ave.
306,261	306,482	309,414	307,386
(6.0)%	(6.0)%	(5.9)%	(6.0)%

Rate of Contracts Signed (Long-term Contract Starts / Long-term Orders)

	Q1	Q2	Q3	Q4
FY09	58.2%	51.2%	49.4%	55.6%
YoY	21.4pt	4.6pt	(6.2)pt	(7.0)pt
FY10	46.2%	49.2%	47.5%	53.3%
YoY	(12.0)pt	(2.0)pt	(1.8)pt	(2.3)pt

Rate of Contracts Completion (Long-term Contract Starts / Long-term Orders)

	Q1	Q2	Q3	Q4
FY09	7.3%	6.1%	5.7%	9.0%
YoY	0.8pt	(0.9)pt	(1.1)pt	(2.4)pt
FY10	7.5%	7.5%	7.1%	10.7%
YoY	0.2pt	1.5pt	1.4pt	1.7pt

Number of New Registered Staff for three months (Consolidated / Japan)

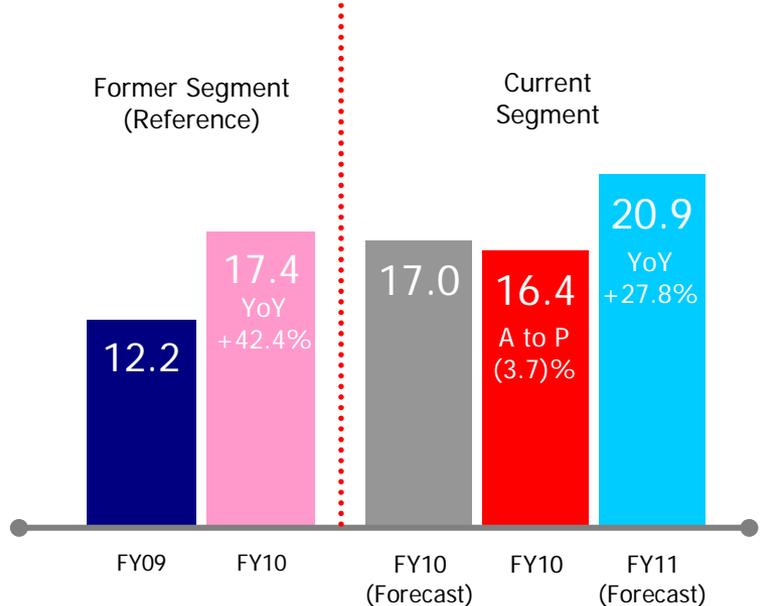
	Q1	Q2	Q3	Q4
FY09	23,764	13,839	10,710	13,026
YoY	22.7%	(37.7)%	(38.4)%	(21.7)%
FY10	12,071	10,616	9,715	13,836
YoY	(49.2)%	(23.3)%	(9.3)%	6.2%

New registrants data presented on a consolidated basis. Disclosure of domestic temporary staffing business data: Pasona: June 1, to May 31; Subsidiary companies: April 1, to March 31.
Contributions from the merger with MITSUBI BUSSAN HUMAN RESOURCES CORPORATION are included in results data for Q1 FY09. (Orders, Contract Starts, Number of New Registered Staff)
Contributions from the merger with AIG STAFF CORPORATION are included in the data of Orders for Q1 FY10.
Contributions from the merger with Pasona Nagasaki Inc. are included in the data of Orders for Q2 FY10.
Contributions from the merger with Pasona Kyoto Inc. are included in the data of Orders for Q4 FY10.

Net Sales

Segment figures include intersegment sales (Former segment figures exclude intersegment sales)

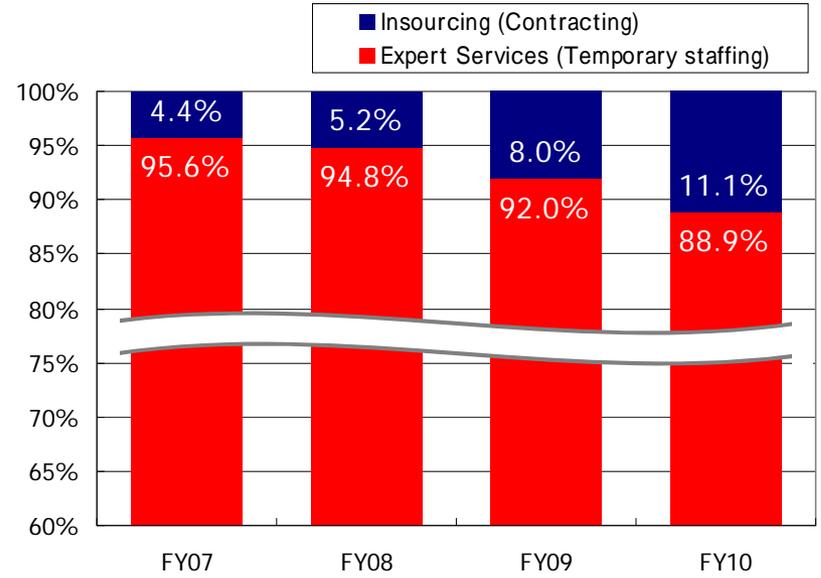
(Billions of yen)



Year-on-year percentage increase or decrease data for current segments is not presented due to business segment reclassification.

The portion of Insourcing business corporate earnings is not included in current segment data.

Net Sales Composition



The Company reclassified its business segments effective from the fiscal year ended May 31, 2011.

FY10

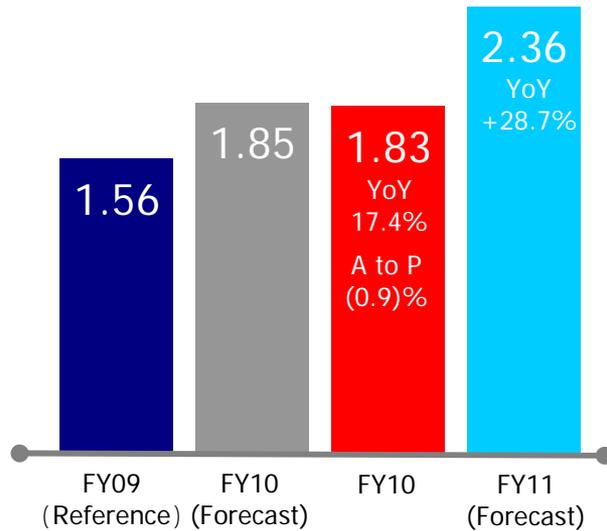
- Increase in reception, administrative and call center contract services
- Steady trend in government and other public office as well as regional public and other authority projects
- Introduction of PMO system has enhanced precision in project management

FY11 Strategies

- Establish a BPO Center in Osaka
- Consolidate and accumulate know-how by converting to specialist patent-related as well as sales and marketing companies
- Upgrade and expand the PMO function; educate, train and strengthen PMs with a high level of skills

Sales

(Billions of yen)

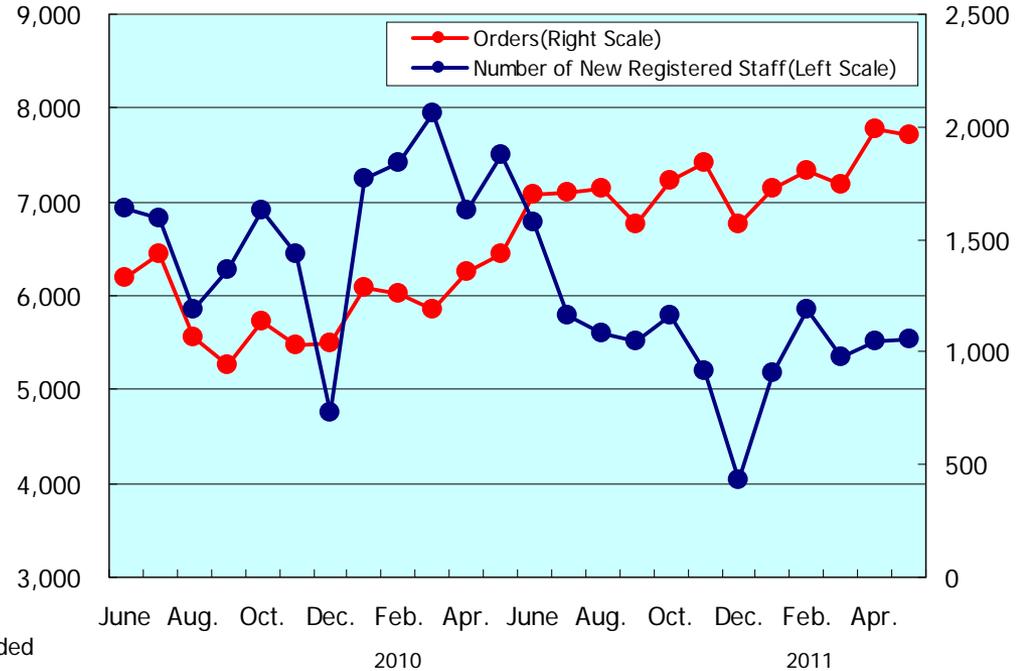


Placement and recruiting sales of temporary staffing subsidiaries are not included in current segment data due to segment reclassification.

Orders, Number of New Registered Staff (Consolidated)

(Unit: People)

(Unit: Contracts)



FY10

Job offer demand increased focusing mainly on human resources with the skills to achieve immediate results in the sales and marketing as well as engineering fields

Steady trend in the placement and recruiting of management level personnel

FY11 Strategies

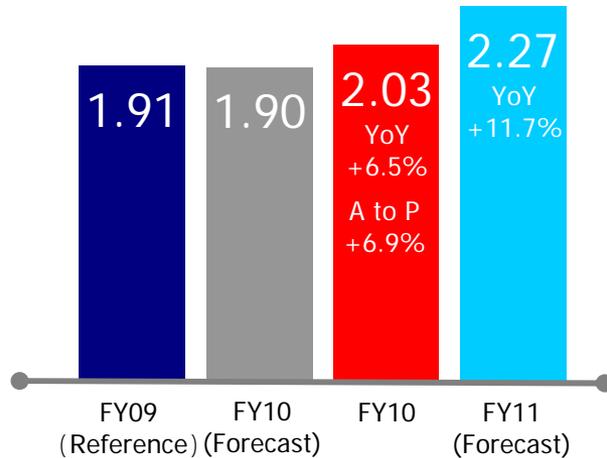
Steady increase in the corporate sector's willingness to recruit new employees

Strengthen placement and recruiting in medical support fields that require a high level of specialist skills

Address activities by the corporate sector to strategically recruit human resources; focus on management level projects

Sales

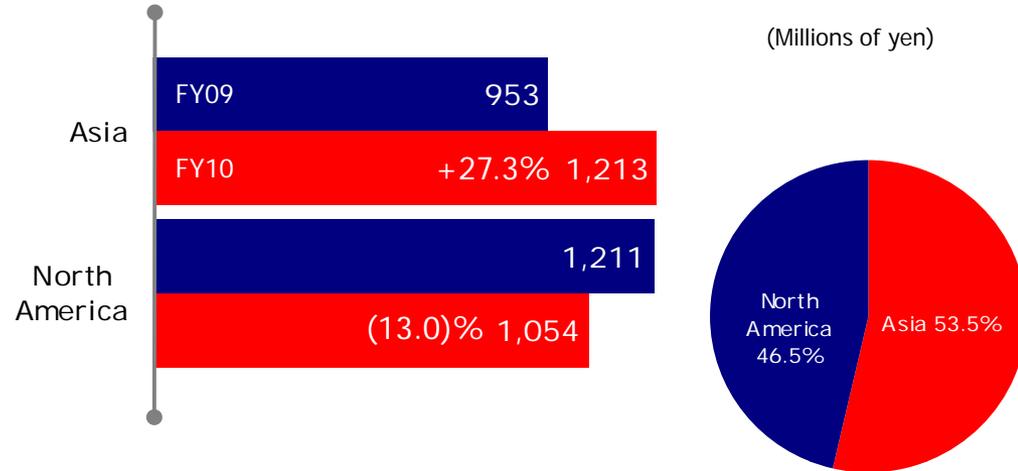
(Billions of yen)



Placement and recruiting sales of temporary staffing subsidiaries are not included in current segment data due to segment reclassification.

Net Sales by Region

(Millions of yen)



(millions of yen)

	Temporary Staffing	Placement / Recruiting	Contracting (Salary Calculation, Others)	合計
Net Sales	779	959	292	2,031
Net Sales Composition	38.4%	47.2%	14.4%	100.0%

FY10

Increase in new demand for placement services mainly from Asia

In addition to temporary staffing, expand contract salary and wage calculation and overseas peripheral area outsourcing services

FY11 Strategies

Expand service areas
Further increase the number of bases including bases in newly entered countries

Upgrade and expand the service menu
Develop services that match the unique characteristics of each country
Also provide comprehensive human resources services worldwide

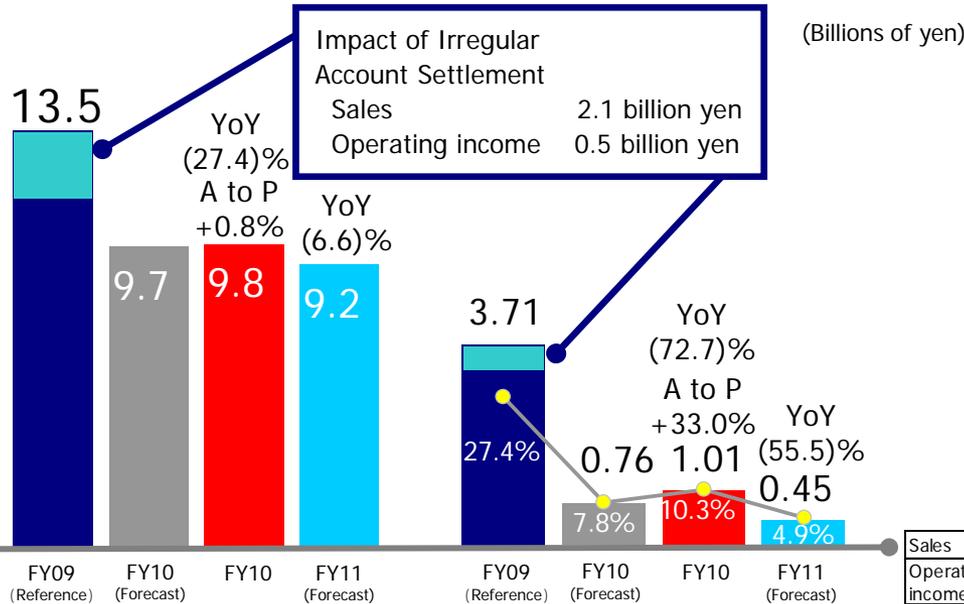
Outplacement

Pasona Inc., Other

Net Sales

Operating Income, Operating Income Margin

Amount of Orders Received (YoY)



	Q1 FY08	Q2 FY08	Q3 FY08	Q4 FY08	(Millions of yen)			
	1,411	1,177	925	2,763				
	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10
Amount of Orders Received	3,006	3,067	2,383	4,657	1,612	1,727	1,407	2,356
YoY	113.1%	160.6%	157.6%	68.5%	(46.4)%	(43.7)%	(40.9)%	(49.4)%

Note: Account settlement for the 4th quarter of the fiscal year ended May 31, 2010 was an irregular five-month period due to an adjustment in the fiscal year-end following the merger between Pasona Inc. and Pasona Career Inc.

	FY09 (Reference)	FY10 (Forecast)	FY10	YoY	VS Forecast	FY11 (Forecast)	YoY
Sales	13,513	9,730	9,807	(27.4)%	+0.8%	9,160	(6.6)%
Operating income	3,705	760	1,011	(72.7)%	+33.0%	450	(55.5)%

Reference data for the corresponding period of the previous fiscal year apply to former segments. This is due to business segment reclassification.

FY10

Change in sales apportionment (From June 2010)
 period nine-month period ten-month period

Acquire demand for outplacement services generated by the shift of operations overseas by the corporate sector; expand market share

Increase in input costs and substantial decrease in profits due mainly to the priority placed on the quick definitive turnaround in the placement of employees by service users

FY11 Strategies

Sales apportionment period ten-month period

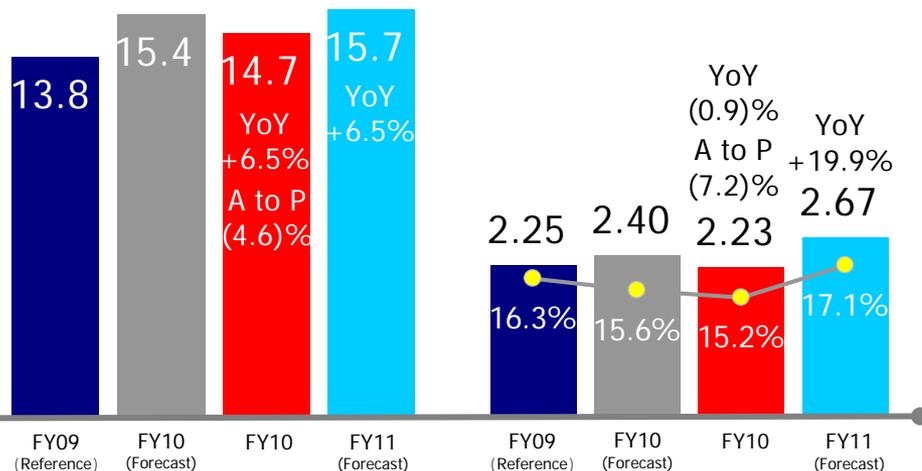
Demand projected to increase from second half as companies accelerate shift overseas

Focus on the education and training of consultants to enhance the quick and definitive turnaround in the placement of employees

Net Sales

Operating Income, Operating Income Margin

(Billions of yen)



[Bebenefit One Inc. Results]

(Millions of yen)

	FY09	FY10	YoY
Net Sales	13,791	14,690	6.5%
Operating income	2,345	2,267	(3.3)%

(Millions of yen)

	FY09 (Reference)	FY10 (Forecast)	FY10 (Actual)	YoY	VS Forecast	FY11 (Forecast)	YoY
Sales	13,795	15,400	14,690	+6.5%	(4.6)%	15,650	+6.5%
Operating income	2,248	2,400	2,227	(0.9)%	(7.2)%	2,670	+19.9%

Reference data for the corresponding period of the previous fiscal year apply to former segments. This is due to business segment reclassification.

FY10

Steady trend in the employee welfare benefit business

Focus also on the Incentive Business, a service that converts financial incentives into points

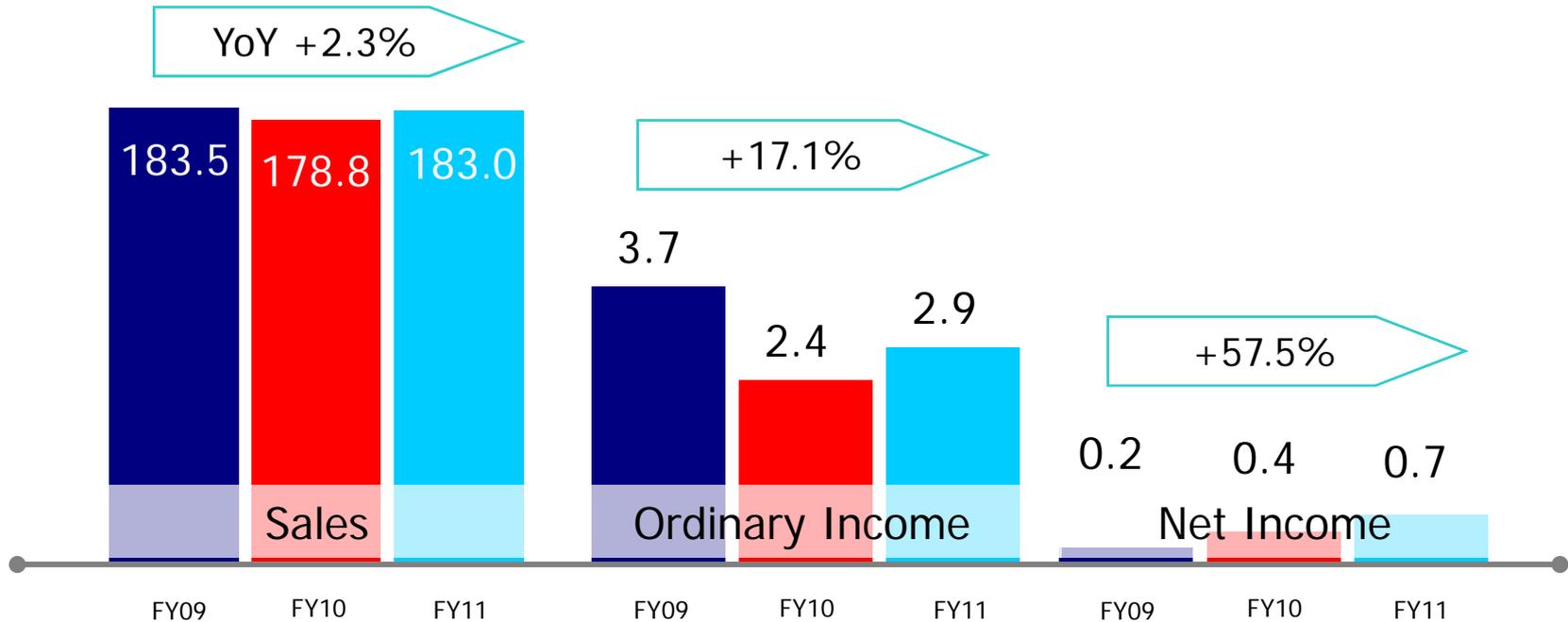
FY11 Strategies

Expand customer base for the CRM Business (service to enhance customer satisfaction), Incentive Business and other

Forecast increase in both revenue and earnings

5. Consolidated Forecast of Business Results

(Billions of yen)

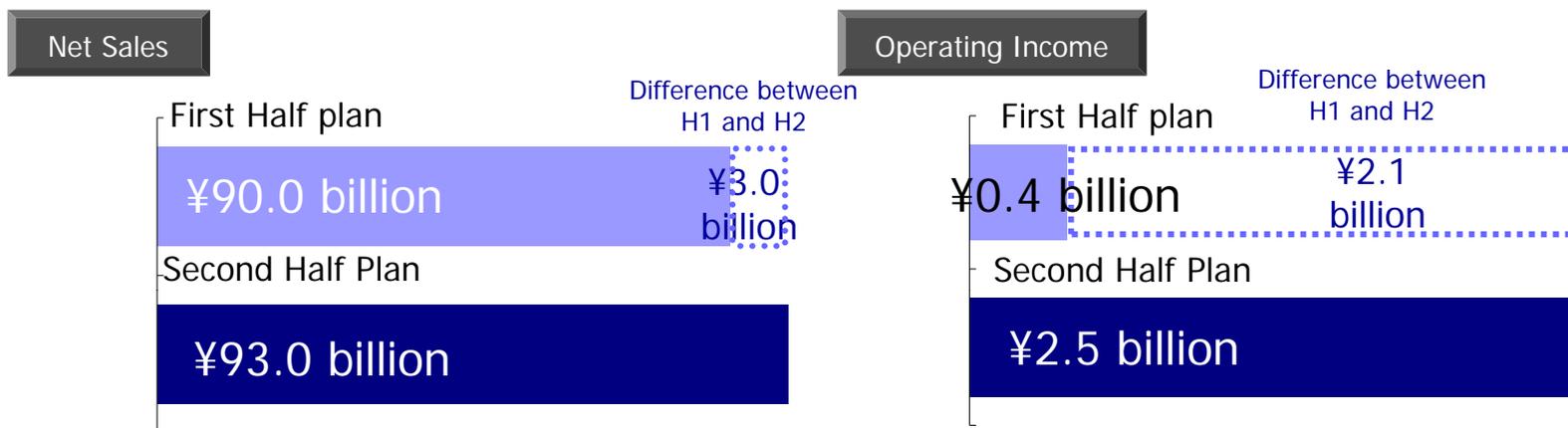


(Millions of yen)	FY09	to net sales	FY10	to net sales	vs FY09 Increase/Decrease	%	FY11 Initial forecast	to net sales	vs FY10 Increase/Decrease	%
Net Sales	183,515	100.0	178,806	100.0	(4,709)	(2.6)%	183,000	100.0	4,193	2.3%
Cost of sales	146,784	80.0	145,247	81.2	(1,537)	(1.0)%	148,650	81.2	3,403	2.3%
Gross profit	36,731	20.0	33,558	18.8	(3,172)	(8.6)%	34,350	18.8	791	2.4%
SG&A expenses	33,070	18.0	31,125	17.4	(1,945)	(5.9)%	31,500	17.2	374	1.2%
Operating income	3,660	2.0	2,432	1.4	(1,227)	(33.5)%	2,850	1.6	417	17.1%
Ordinary income	4,044	2.2	2,571	1.4	(1,472)	(36.4)%	2,900	1.6	328	12.8%
Net income	204	0.1	412	0.2	207	101.4%	650	0.4	237	57.5%

Balance Between the First and Second Half of the Fiscal Year Ending May 31, 2012

Widening gap between first and second half results from a profit perspective

- (1) Impact of seasonal factors on the Outsourcing business (Benefit One Inc. operating income: H1 ¥0.6 billion, H2 ¥2.0 billion n difference +¥1.4 billion)
- (2) Recovery in the Human Resource Market leading into the second half (H1 ¥1.2 billion, H2 ¥1.9 billion difference +¥0.7 billion)



(Millions of yen)	H1	to net sales	VS FY10	%	H2	to net sales	VS FY10	%	FY11	to net sales	VS FY10	%
Net Sales	90,000	100.0	1,005	1.1%	93,000	100.0	3,188	3.6%	183,000	100.0	4,193	2.3%
Cost of sales	73,900	82.1	1,079	1.5%	74,750	80.4	2,323	3.2%	148,650	81.2	3,403	2.3%
Gross profit	16,100	17.9	(74)	(0.5)%	18,250	19.6	865	5.0%	34,350	18.8	791	2.4%
SG&A expenses	15,750	17.5	109	0.7%	15,750	16.9	264	1.7%	31,500	17.2	374	1.2%
Operating income	350	0.4	(183)	(34.4)%	2,500	2.7	600	31.6%	2,850	1.6	417	17.1%
Ordinary income	320	0.4	(260)	(44.9)%	2,580	2.8	589	29.6%	2,900	1.6	328	12.8%
Net income (loss)	(120)	-	429	-	770	0.8	(191)	(19.9)%	650	0.4	237	57.5%

Consolidated Forecasts by Business Segment for the Fiscal Year Ending May 31, 2012

(Millions of yen)

	Segment	Sales				Operating income				Operating income margin		
		FY10	FY11	VS FY10 Increase/ Decrease	%	FY10	FY11	VS FY10 Increase/ Decrease	%	FY10	FY11	%
	Expert Services	130,735	128,110	(2,625)	(2.0)%	1,980	3,080	1,099	55.5%	1.3%	2.0%	0.7pt
	Insourcing	16,365	20,920	4,554	27.8%							
	HR Consulting (including TTP, nursing care)	2,139	2,070	(69)	(3.2)%							
	Place & Search	1,833	2,360	526	28.7%							
	Global Sourcing	2,031	2,270	238	11.7%							
	Subtotal	153,106	155,730	2,624	1.7%							
	Outplacement	9,807	9,160	(647)	(6.6)%	1,011	450	(561)	(55.5)%	10.3%	4.9%	(5.4)pt
	Outsourcing	14,690	15,650	959	6.5%	2,227	2,670	442	19.9%	15.2%	17.1%	1.9pt
	Life Solutions Public Solutions Shared	3,564	3,710	145	4.1%	134	(40)	(174)	-	3.8%	-	-
	Eliminations and Corporate	(2,362)	(1,250)	1,111	-	(2,920)	(3,310)	(389)	-	-	-	-
	Total	178,806	183,000	4,193	2.3%	2,432	2,850	417	17.1%	1.4%	1.6%	0.2pt

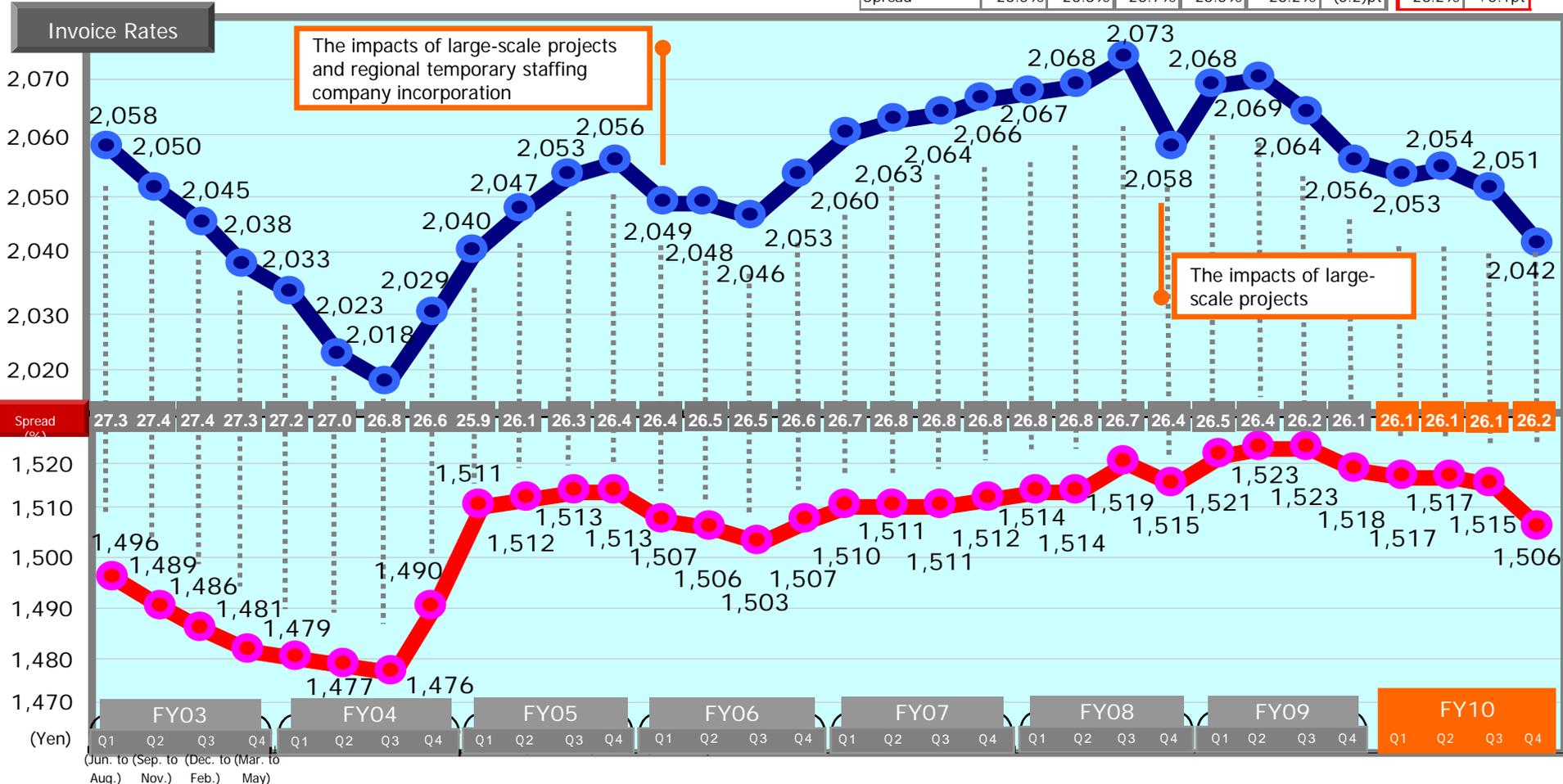
6. Reference

Temporary Staffing / Contracting (Unit Price / Pasona Inc.)

The spread between unit prices at the invoice and payment levels.

Q4 FY10 **26.2%** (YoY +0.1pt)

	FY06	FY07	FY08	FY09	FY10 (Average)		Q4 FY10	
					FY10 (Average)	YoY	Q4	YoY
Invoice Rates	2,049	2,063	2,067	2,064	2,050	(0.7)%	2,042	(0.7)%
Payment Rates	1,506	1,511	1,516	1,521	1,514	(0.5)%	1,506	(0.8)%
Spread	26.5%	26.8%	26.7%	26.3%	26.2%	(0.2)pt	26.2%	+0.1pt

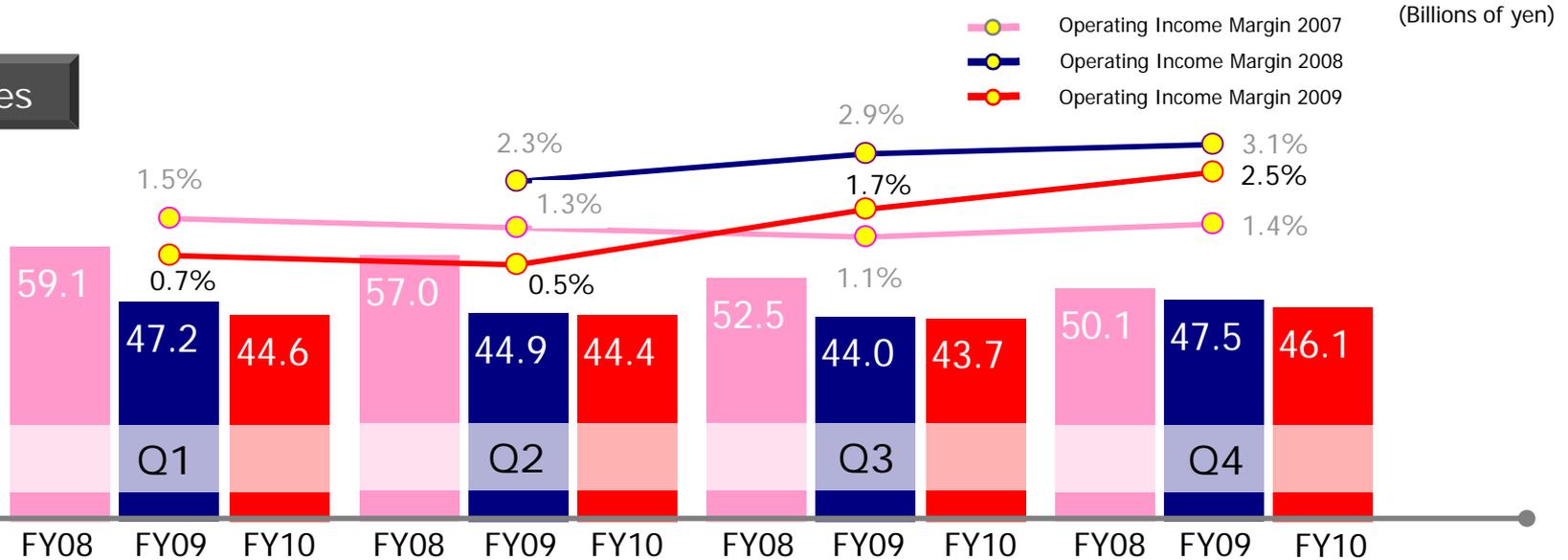


Payment Rates

Notes: Pasona Inc. (Non-consolidated) / Average hourly unit price across all segments (weighted average)
 Figures include Socio. Inc., which was absorbed by Pasona Inc. from FY2006.

Quarterly Earnings Trends

Net Sales



(Millions of yen)

	Q1 (June to August)					Q2 (September to November)					Q3 (December to February)					Q4 (March to May)					
	FY08	FY09	YoY	FY10	YoY	FY08	FY09	YoY	FY10	YoY	FY08	FY09	YoY	FY10	YoY	FY08	FY09	YoY	FY10	YoY	
	Consolidated																				
Net Sales	59,136	47,161	(20.2)%	44,574	(5.5)%	56,950	44,908	(21.1)%	44,419	(1.1)%	52,531	43,977	(16.3)%	43,669	(0.7)%	50,082	47,468	(5.2)%	46,142	(2.8)%	
Gross profit	11,762	8,834	(24.9)%	8,142	(7.8)%	11,435	8,855	(22.6)%	8,031	(9.3)%	10,554	9,062	(14.1)%	8,381	(7.5)%	9,833	9,979	1.5%	9,003	(9.8)%	
SG&A expenses	10,902	8,968	(17.7)%	7,831	(12.7)%	10,696	7,815	(26.9)%	7,811	(0.1)%	9,986	7,772	(22.2)%	7,630	(1.8)%	9,149	8,513	(6.9)%	7,857	(7.7)%	
Operating income (loss)	860	(134)	-	310	-	738	1,039	40.7%	220	(78.8)%	567	1,289	127.0%	750	(41.8)%	683	1,465	114.4%	1,145	(21.8)%	
Ordinary income (loss)	909	(119)	-	319	-	894	1,052	17.6%	258	(75.4)%	527	1,469	178.2%	747	(49.1)%	1,029	1,641	59.5%	1,240	(24.4)%	
Net income (loss)	313	(1,102)	-	(471)	-	(110)	(594)	-	(77)	-	(810)	292	-	214	(26.8)%	919	1,608	74.9%	747	(53.5)%	
Gross profit margin	19.9%	18.7%	(1.2)pt	18.3%	(0.4)pt	20.1%	19.7%	(0.4)pt	18.1%	(1.6)pt	20.1%	20.6%	+0.5pt	19.2%	(1.4)pt	19.6%	21.0%	+1.4pt	19.5%	(1.5)pt	
SG&A expense ratio	18.4%	19.0%	+0.6pt	17.6%	(1.4)pt	18.8%	17.4%	(1.4)pt	17.6%	0.2pt	19.0%	17.7%	(1.3)pt	17.5%	(0.2)pt	18.2%	17.9%	(0.3)pt	17.0%	(0.9)pt	
Operating income margin	1.5%	-	-	0.7%	-	1.3%	2.3%	+1.0pt	0.5%	(1.8)pt	1.1%	2.9%	+1.8pt	1.7%	(1.2)pt	1.4%	3.1%	+1.7pt	2.5%	(0.6)pt	
Ordinary income margin	1.5%	-	-	0.7%	-	1.6%	2.3%	+0.7pt	0.6%	(1.7)pt	1.0%	3.3%	+2.3pt	1.7%	(1.6)pt	2.1%	3.5%	+1.4pt	2.7%	(0.8)pt	
Net income margin	0.5%	-	-	-	-	-	-	-	-	-	-	0.7%	-	0.5%	(0.2)pt	1.8%	3.4%	+1.6pt	1.6%	(1.8)pt	

Consolidated Results by Segment for the Fiscal Year ended May 31, 2011

In conjunction with the adoption of the "Management Approach," the Company reclassified its business segments effective from the fiscal year ended May 31, 2011. Therefore, percentage increases and decreases compared with the corresponding period of the fiscal year ended May 31, 2010 have not been provided.

(Millions of yen)

Segment	Sales					Operating income					Operating income margin				
	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10
Expert Services	33,667	32,915	31,617	32,535	130,735										
Insourcing	3,177	3,650	4,377	5,160	16,365										
HR Consulting (including TTP, nursing care)	516	543	471	607	2,139										
Place & Search	345	443	447	597	1,833	356	296	497	829	1,980	0.9%	0.8%	1.3%	2.1%	1.3%
Global Sourcing	513	487	470	560	2,031										
Subtotal	38,219	38,040	37,384	39,461	153,106										
Outplacement	2,634	2,468	2,286	2,417	9,807	312	273	121	303	1,011	11.9%	11.1%	5.3%	12.6%	10.3%
Outsourcing	3,404	3,659	3,687	3,938	14,690	285	346	780	814	2,227	8.4%	9.5%	21.2%	20.7%	15.2%
Life Solutions Public Solutions Shared	897	876	869	920	3,564	41	32	30	30	134	4.6%	3.7%	3.5%	3.3%	3.8%
Eliminations and Corporate	(581)	(625)	(558)	(595)	(2,362)	(685)	(728)	(679)	(831)	(2,920)	-	-	-	-	-
Total	44,574	44,419	43,669	46,142	178,806	310	220	750	1,145	2,432	0.7%	0.5%	1.7%	2.5%	1.4%

[Reference] Quarterly Earnings Trends by Former Segment

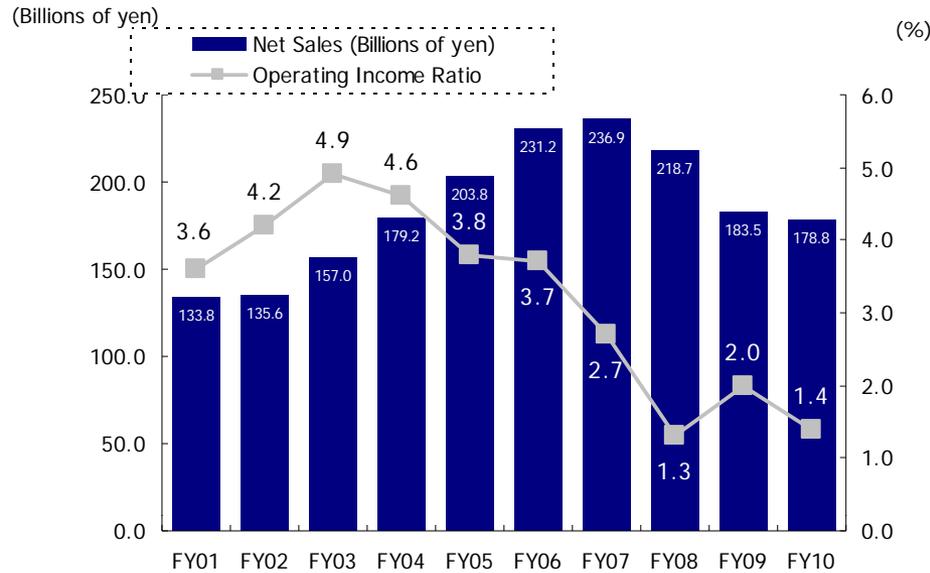
(Millions of yen)

	Q1 (June to August)					Q2 (September to November)					Q3 (December to February)					Q4 (March to May)					
	FY07	FY08	YoY	FY09	YoY	FY07	FY08	YoY	FY09	YoY	FY07	FY08	YoY	FY09	YoY	FY07	FY08	YoY	FY09	YoY	
Sales																					
Temporary staffing / Contracting	53,596	51,780	(3.4)%	40,396	(22.0)%	52,090	49,884	(4.2)%	37,842	(24.1)%	51,162	46,267	(9.6)%	36,533	(21.0)%	51,961	43,479	(16.3)%	37,355	(14.1)%	
Placement / Recruiting	2,260	1,810	(19.9)%	823	(54.5)%	1,905	1,686	(11.5)%	595	(64.7)%	1,795	1,253	(30.2)%	604	(51.8)%	1,714	1,170	(31.7)%	*952	(18.7)%	
Outplacement	1,213	1,545	+27.3%	2,280	+47.5%	1,421	1,347	(5.2)%	2,899	+115.1%	1,588	1,307	(17.7)%	3,074	+135.1%	1,634	1,593	(2.5)%	*5,228	+228.1%	
Outsourcing	3,217	3,693	+14.8%	3,432	(7.1)%	3,389	3,785	+11.7%	3,326	(12.1)%	3,486	3,638	+4.4%	3,455	(5.0)%	3,639	3,607	(0.9)%	3,577	(0.8)%	
Other	472	655	+38.7%	1,020	+55.8%	498	632	+27.0%	1,101	+74.2%	574	793	+38.1%	1,174	+48.1%	571	922	+61.5%	1,161	+25.9%	
Eliminations & Corporate	(270)	(349)	-	(791)	-	(278)	(385)	-	(856)	-	(356)	(729)	-	(865)	-	(342)	(690)	-	(806)	-	
Operating Income																					
Temporary staffing/ Contracting, Placement / Recruiting	1,384	1,112	(19.7)%	(154)	-	618	913	+47.8%	435	(52.4)%	1,613	484	(70.0)%	211	(56.4)%	1,440	782	(45.7)%	137	(82.4)%	
Outplacement	226	434	+91.9%	616	+41.9%	361	184	(49.1)%	998	+442.2%	378	149	(60.5)%	926	+519.2%	411	257	(37.5)%	1,313	+410.3%	
Outsourcing	(72)	213	-	165	(22.4)%	550	545	(0.9)%	498	(8.6)%	929	828	(10.8)%	824	(0.5)%	476	548	+15.0%	764	+39.4%	
Other	(9)	(31)	-	(25)	-	10	55	+411.5%	(81)	-	(17)	53	-	28	(47.1)%	(10)	(65)	-	(41)	-	
Eliminations & Corporate	0	(868)	-	(735)	-	1	(960)	-	(811)	-	(887)	(947)	-	(701)	-	(961)	(838)	-	(708)	-	
Operating Income Margin																					
Temporary staffing/ Contracting, Placement / Recruiting	2.5%	2.1%	(0.4)pt	-	-	1.1%	1.8%	+0.7pt	1.1%	(0.7)pt	3.0%	1.0%	(2.0)pt	0.6%	(0.4)pt	2.7%	1.8%	(0.9)pt	0.4%	(1.4)pt	
Outplacement	18.6%	28.1%	+9.5pt	27.0%	(1.1)pt	25.4%	13.7%	(11.7)pt	34.4%	+20.7pt	23.8%	11.4%	(12.4)pt	30.1%	+18.7pt	25.2%	16.2%	(9.0)pt	25.1%	+8.9pt	
Outsourcing	-	5.8%	+8.1pt	4.8%	(1.0)pt	16.2%	14.4%	(1.8)pt	15.0%	+0.6pt	26.6%	22.8%	(3.8)pt	23.9%	+1.1pt	13.1%	15.2%	+2.1pt	21.4%	+6.2pt	
Other	-	-	-	-	-	2.2%	8.8%	+6.6pt	-	-	-	6.7%	-	2.4%	(4.3)pt	-	-	-	-	-	

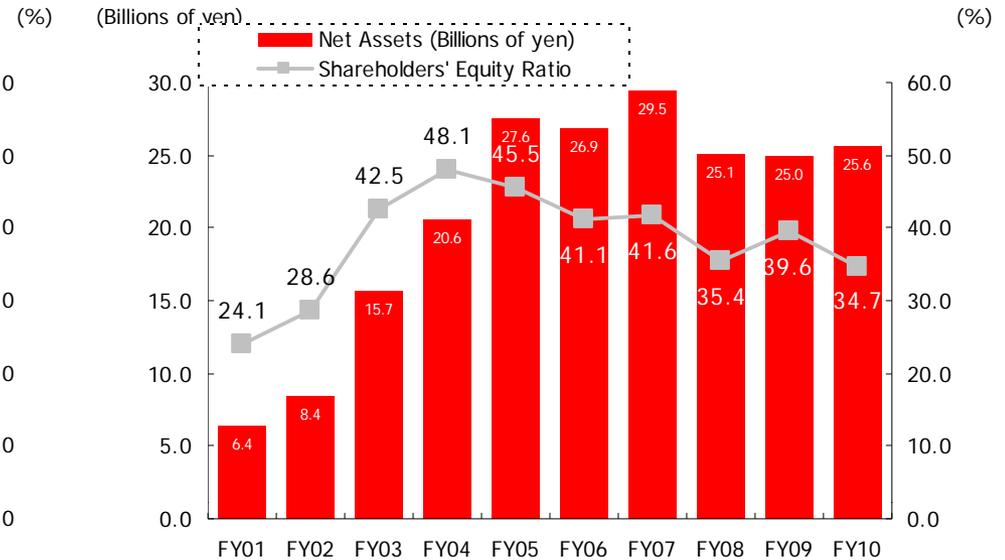
*Account settlement for the 4th quarter of the fiscal year ended May 31, 2010 for each of the Outplacement and Placement & Recruiting businesses is an irregular five-month period due to an adjustment in the fiscal year-end following the merger between Pasona Inc. and Pasona Career Inc.

Key Indicators (Full Year)

Net Sales and Operating Income Ratio



Net Assets and Shareholders' Equity Ratio

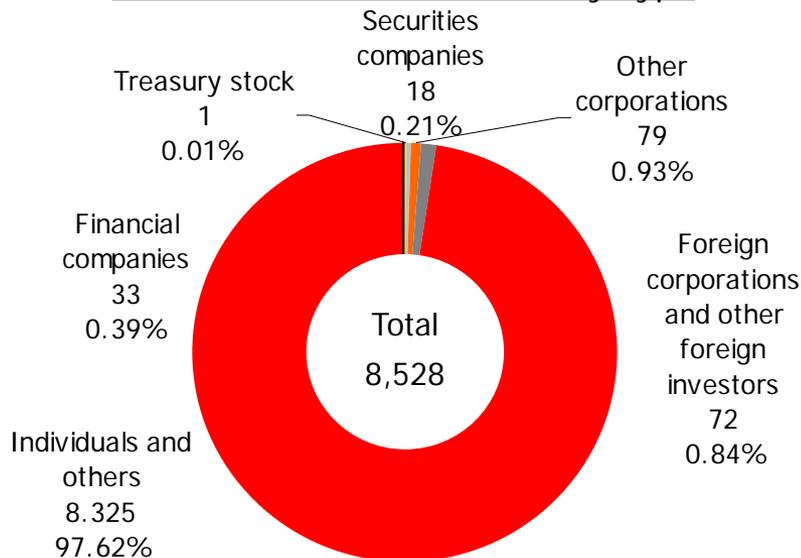


Results

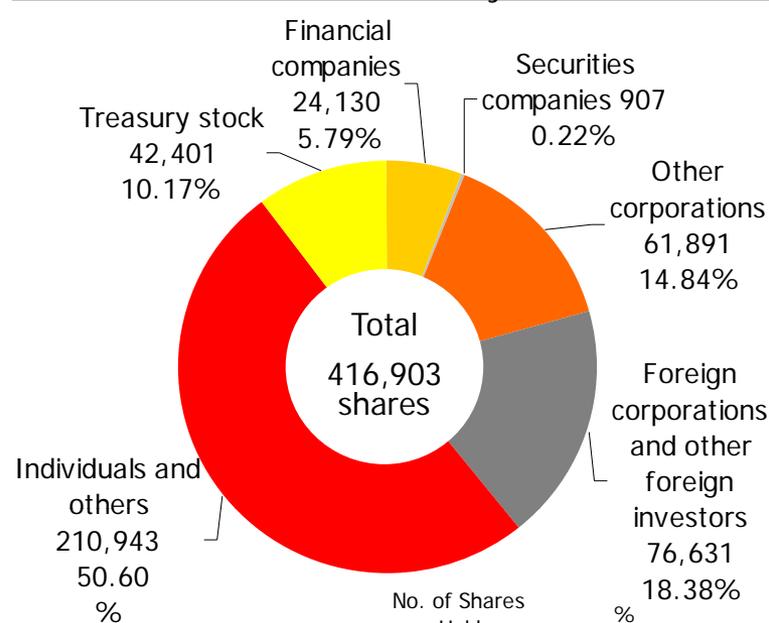
Key Indicators	'02/05	'03/05	'04/05	'05/05	'06/05	'07/05	'08/05	'09/05	'10/05	'11/05
Net Sales	133,822	135,625	156,979	179,156	203,815	231,231	236,945	218,699	183,515	178,806
Gross Profit Margin	18.2%	19.7%	20.9%	20.8%	20.2%	20.3%	20.8%	19.9%	20.0%	18.8%
SG&A Expenses	19,557	21,058	25,104	28,992	33,491	38,542	42,925	40,735	33,070	31,125
SG&A Expenses Ratio	14.6%	15.5%	16.0%	16.2%	16.4%	16.6%	18.1%	18.6%	18.0%	17.4%
Operating Income	4,786	5,687	7,648	8,238	7,745	8,507	6,444	2,850	3,660	2,432
Operating Income Ratio	3.6%	4.2%	4.9%	4.6%	3.8%	3.7%	2.7%	1.3%	2.0%	1.4%
Ordinary Income	4,222	5,373	7,329	8,289	7,844	8,807	6,637	3,361	4,044	2,571
Ordinary Income Ratio	3.2%	4.0%	4.7%	4.6%	3.8%	3.8%	2.8%	1.5%	2.2%	1.4%
Net Income (Loss)	1,974	2,027	3,647	4,363	3,588	4,198	2,962	312	204	412
Net Income Ratio	1.5%	1.5%	2.3%	2.4%	1.8%	1.8%	1.3%	0.1%	0.1%	0.2%
Total Assets	26,526	29,425	37,004	42,884	51,931	54,425	58,513	55,468	52,269	60,564
Net Assets *1	6,388	8,418	15,732	20,644	27,634	26,904	29,468	25,148	24,979	25,642
Shareholders' Equity Ratio *2	24.1%	28.6%	42.5%	48.1%	45.5%	41.1%	41.6%	35.4%	39.6%	34.7%
Current Ratio	121.6%	122.3%	160.2%	182.8%	170.8%	152.1%	154.2%	129.6%	163.3%	175.2%
Number of Employees (Does not include contract workers)	1,537	1,687	1,979	2,204	2,608	3,126	3,647	3,671	3,643	3,956

Notes: 1. Presentation of shareholders' equity amended to a net assets basis in line with changes to accounting standards and policies. Minority interests included in presentation of net assets since the fiscal year ended May 31, 2006.
 2. Despite changes in calculation methods for net assets following the introduction of changes to accounting standards and policies, the shareholders' equity ratio since the fiscal year ended May 31, 2006 is calculated utilizing an amount equivalent to net assets applicable to common shares.
 3. The data for the periods up to and including the fiscal year ended May 31, 2007 are consolidated data for Pasona Inc. The data for the periods commencing the fiscal year ended May 31, 2008 and beyond are consolidated data for Pasona Group Inc.

Breakdown of Shareholders by Type



Breakdown of Shareholders by Number of Share Held



Principal Shareholders

Shareholder Name	No. of Shares Held	%
Yasuyuki Nambu	147,632	35.41%
Pasona Group Inc.	42,401	10.17%
Nambu Enterprise Inc.	35,688	8.56%
State Street Bank and Trust Company 505223	32,023	7.68%
Sanrio Company, Ltd.	12,000	2.88%
State Street Bank and Trust Company	11,466	2.75%
State Street Bank and Trust Company	7,391	1.77%
State Street Bank and Trust Company 505103	6,953	1.67%
Mellon Bank N.A. as agent for its client Mellon Omnibus US Pension	6,944	1.67%
Pasona Group Employees' Shareholding Association	5,571	1.34%

1. The Company's treasury stock (42,401 shares, 10.17% of total issued shares) ranked second. In accordance with Article 308.2 of the Corporations Law, there are no voting rights attached to treasury stock.
2. Pasona Group received a notification from Harris Associates L.P., that it held 59,690 shares as of March 28, 2011 outlined the delivery of a Substantial Shareholding Report submitted to the Kanto Local Finance Bureau on April 1, 2011. As the Company is unable to confirm the number of shares held as of 31 May, 2011, Harris Associates L.P. has been omitted from the list of major shareholders identified.

Tokyo Stock Exchange, 1st Section 2168

Corporate Name	Pasona Group Inc.	
Headquarters	Shin Marunouchi Bldg. 1-5-1, Marunouchi, Chiyoda-ku, Tokyo 100-6514 Phone 03-6734-0200	<u>Comprehensive Group office</u> Otemachi 2-6-4 Chiyoda-ku, Tokyo 100-8228 Phone 03-6734-0200
Established	December 3, 2007 (Founding February 1976)	
Paid-in Capital	5,000 million yen	
Representative	Yasuyuki Nambu	
Business Activities	Expert Services (Temporary staffing), Insourcing (Contracting), HR Consulting Place & Search (Placement/Recruiting) Global Sourcing (Overseas) Outplacement Outsourcing Life Solutions, Public Solutions, Shared	
Number of Employees	4,657 (Consolidated, including contract workers)	
Group Companies	Subsidiaries 28, Affiliates 2	
URL	http://www.pasonagroup.co.jp/english/	

(As of May 31, 2011)