



February 3, 2010

**For Immediate Release**

Pasona Group Inc.  
1-5-1 Marunouchi, Chiyoda-ku, Tokyo  
Representative: Yasuyuki Nambu, Group CEO and President  
Listing Code No.: 2168  
Listing: First Section, Tokyo Stock Exchange  
Inquiries: Yoshimichi Kawasaki  
Senior Managing Director and CFO  
TEL: +81-3-6734-0200

**Notice Concerning the Merger of Subsidiary Companies  
and the Change in a Company's Name**

Pasona Group Inc. (hereafter referred to as “Pasona Group” or “the Company”) today announced details of the decision to merge subsidiaries, Pasona Sparkle Inc. (hereafter referred to as “Pasona Sparkle”) and Pasona Sourcing Inc. (hereafter referred to as “Pasona Sourcing”). The merger shall take effect on April 1, 2010 and at the same time involve a change in the resulting company's name. Brief details are provided as follows.

**1. Objectives of the Merger**

The Pasona Group continues to reorganize its business structure in order to build a more robust Group. As a part of these efforts, the Company has decided to merge Pasona Sourcing, whose business activities are centered in eastern Japan, with Pasona Sparkle, whose business platform is mainly based in western Japan.

On this basis, and taking into account the current upswing in unemployment while targeting the younger generation with limited social and business experience and stay-at-home wives, Pasona Group has decided to launch a new training-oriented temporary staffing service that combines training and education programs with on-the-job training. Maximizing the strengths of each company, Pasona Group will build and develop a nationwide service menu that encompasses such wide-ranging fields as nursing care in addition to its standard clerical work services.

**2. Effective Date of the Merger**

April 1, 2010 (Planned)

**3. Method of Merger**

Pasona Sparkle plans to merge with Pasona Sourcing and remain as the surviving company. Accordingly, Pasona Sourcing will be dissolved upon merger.

#### 4. Summary of the Parties Involved in the Merger

(1) Company Name	Pasona Sparkle Inc.	Pasona Sourcing Inc.
(2) Business Activities	Temporary staffing and contracting, Placement and Recruiting, Outplacement, Outsourcing, Nursing care service business, Homemaker and Other services	Temporary staffing and contracting, Placement and Recruiting, Outplacement, Outsourcing, Training and Other businesses
(3) Head Office Address	1-1-4, Shibata, Kita-ku, Osaka-shi, Osaka	2-6-4, Otemachi, Chiyoda-ku, Tokyo
(4) Representative	Keiichi Tamura President and Representative Director	Kazufumi Nomura President and Representative Director
(5) Paid-in Capital	¥30 million	¥20 million
(6) Fiscal Year-End	March 31	March 31
(7) Major Shareholders and its Shareholding Ratio	Pasona Group Inc. 90.0% Sumitomo Metal Industries, Ltd. 10.0%	Pasona Group Inc. 100.0%

#### 5. Status after the Merger

(1) Company Name (New)	Pasona Sourcing Inc.
(2) Business Activities	Temporary staffing and contracting, Placement and Recruiting, Outplacement, Outsourcing, Nursing care service business, Homemaker and Other services
(3) Head Office Address	2-6-4, Otemachi, Chiyoda-ku, Tokyo
(4) Paid-in Capital	¥30 million
(5) Fiscal Year-End	March 31
(6) Major Shareholders and its Shareholding Ratio	Pasona Group Inc. 93.5% Sumitomo Metal Industries, Ltd. 6.5%

#### 6. The Effect on the Business Results of Pasona Group

The proposed merger is between two consolidated subsidiaries. Accordingly, the merger is not expected to impact the consolidated results of Pasona Group.