

Results for the First Half of the Fiscal Year Ending May 31, 2013

FY2012 (June 1, 2012 - May 31, 2013)

Pasona Group Inc.

First Section TSE (2168)

January 16, 2013

<http://www.pasonagroup.co.jp/english>

Legal Reform

- Revisions to the Worker Dispatch Law came into effect in October 2012
- Revisions to the Labor Contract Act ⇒ Changes to the application of human resources by the corporate sector to come into effect in April 2013
- Revisions to the Law Concerning Stabilization of Employment of Older Persons ⇒ An increase in outplacement and career training needs as the Law comes into effect in April 2013

Essential Features of Legal Reform

【 Worker Dispatch Law 】

- In principle, the dispatch of workers on a daily basis (less than 30 days) prohibited (exceptions: workers over the age of 60, daytime students, workers engage in additional sideline business activities where household incomes exceed five million yen, other)
- 80% of workers dispatched within group companies to be regulated
- The dispatch of a worker is prohibited in those cases where the subject worker has left the services of the receiving firm within a period of one year

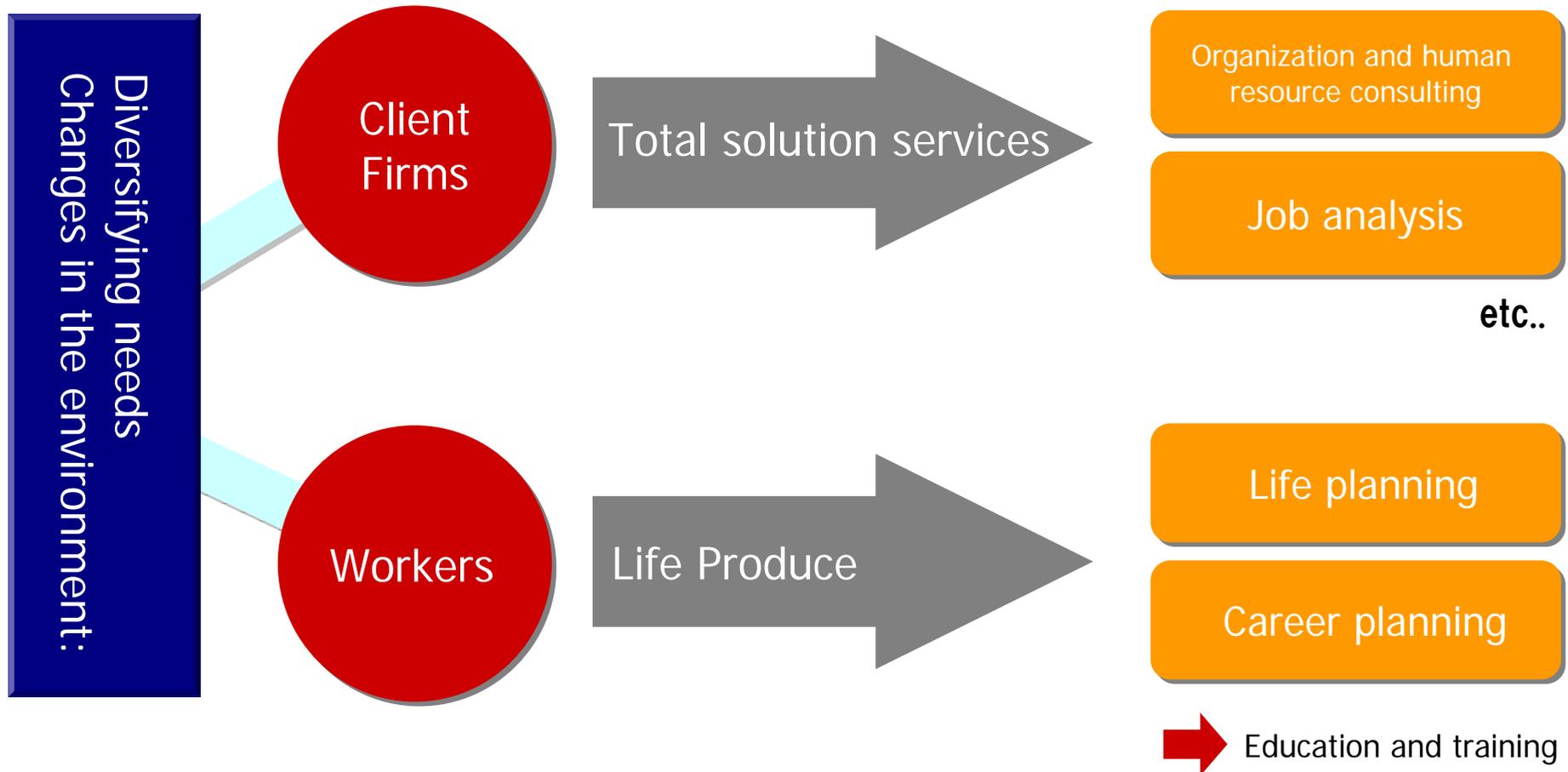
【 Labor Contract Act 】

Shift to indefinite term labor contracts
(Shift to an indefinite term labor contract upon the request of the worker in cases where fixed-term employment contracts have been repeatedly renewed for an aggregate period exceeding five years)

【 Law Concerning Stabilization of Employment of Older Persons 】

Companies required to employ all workers up to the age of 65 upon request

Changes in the Operating Environment



Activities Undertaken by Pasona Group's Education and Training Business



● Strengthen global training

Corporate sector;
public agencies

- Global human resource training (Pasona Education)

➔ language and practical training

- Training for local overseas employees (CAPLAN)

➔ Etiquette training for the overseas bases of Japanese companies

● Ensure the practical application and commercialization of Pasona College

Individuals

➔ Extend courses provided for the benefit of temporary staff to the general public

働 くを創る

Job Creation

人生を 楽 しむ

Social Work Life Balance

人 財を育む

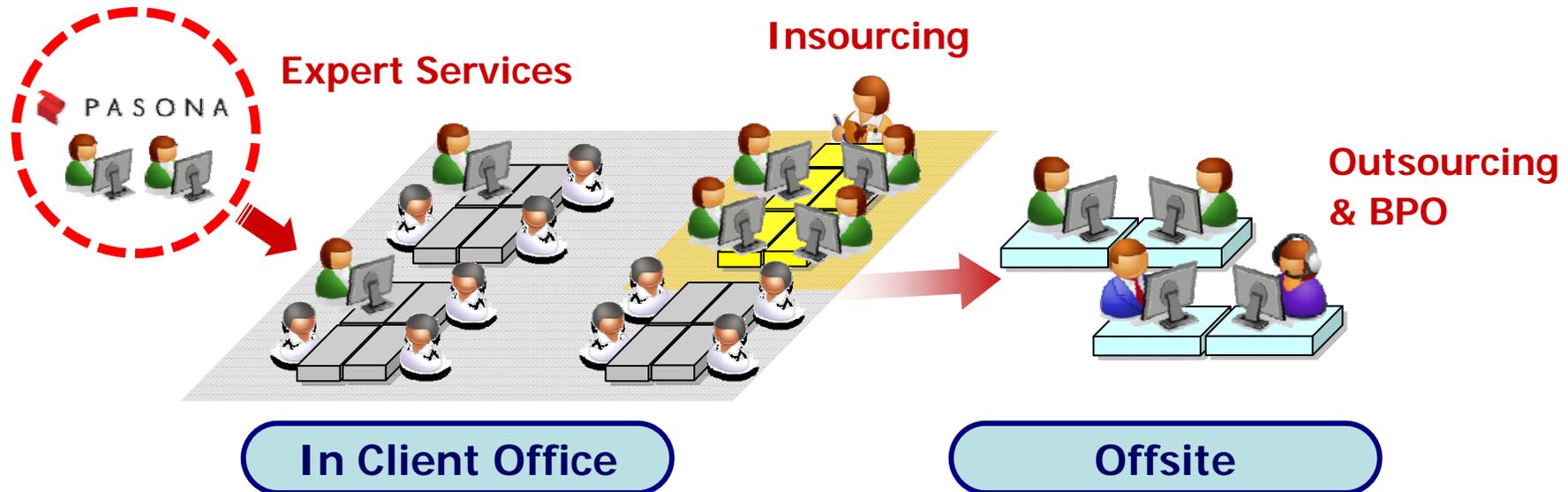
Career Produce

1. Summary of the First Half of the Fiscal Year Ending May 31, 2013

I Strengthen Solution Services

● Responded to diversifying customer needs

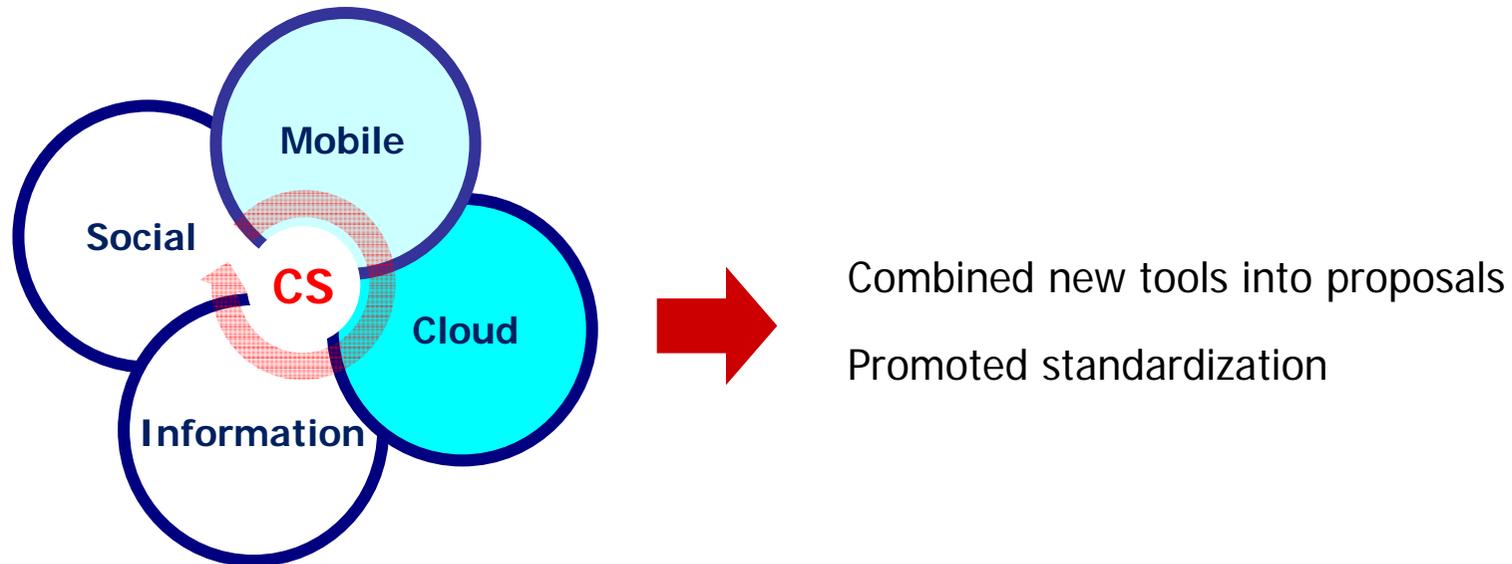
Expanded center application proposal capabilities following the inclusion of Bewith in the scope of the Company's consolidation



● M&A synergy

CAPLAN → Consolidated education and training contracts into CAPLAN
Put forward human resource application proposals using the "SuccessFactors" talent management system

- Strengthened proposals that incorporate additional cloud services



- Established Pasona Tquila Inc. (November 2012)  Developed cloud engineers
 - Enhanced the skills of temporary staff (further developed specialist capabilities)
 - Built appropriate platforms
- CAPLAN included Asahi Beer Communications in its scope of consolidation as a subsidiary company (January 2013)
 - Adopted customer service courses presented by J-Presence Academy
 - ⇒ Took steps to improve the service of plant tour operations
 - Leveraged CAPLAN's strengths in trading-related activity know-how
 - ⇒ Expanded contracts of the Asahi Group's ordering and distribution businesses

II Strengthen Strategies for Interacting with the Public

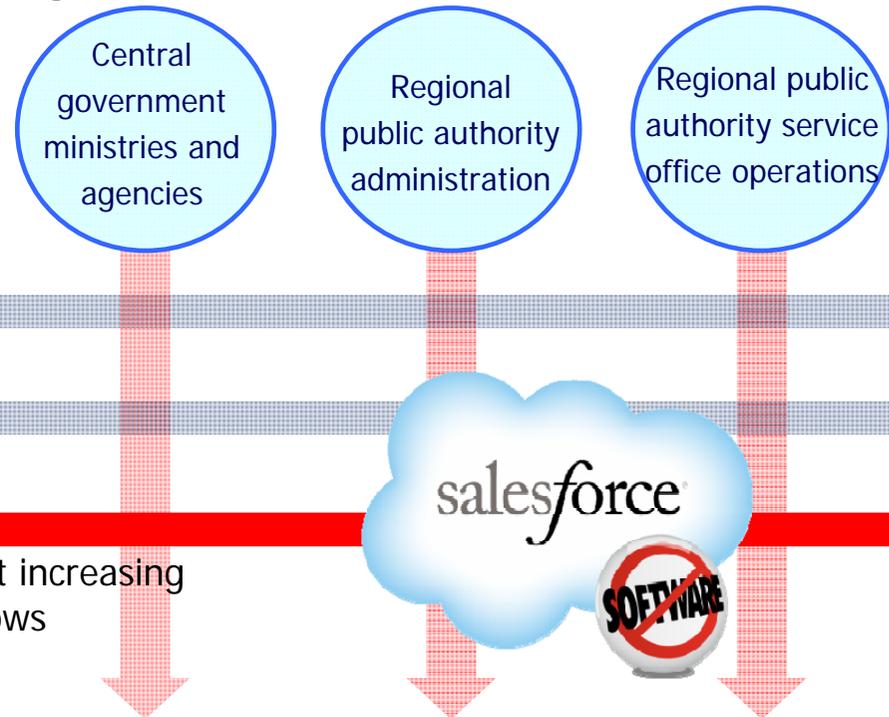
- Secured further advances in proposals through cloud solutions

Menu.1 Expert Services
Menu.2 Insourcing
Menu.3 Outsourcing & BPO

Package Menu

Cloud solution

Strengthened cloud-based proposals aimed at increasing the efficiency of public authority operating flows



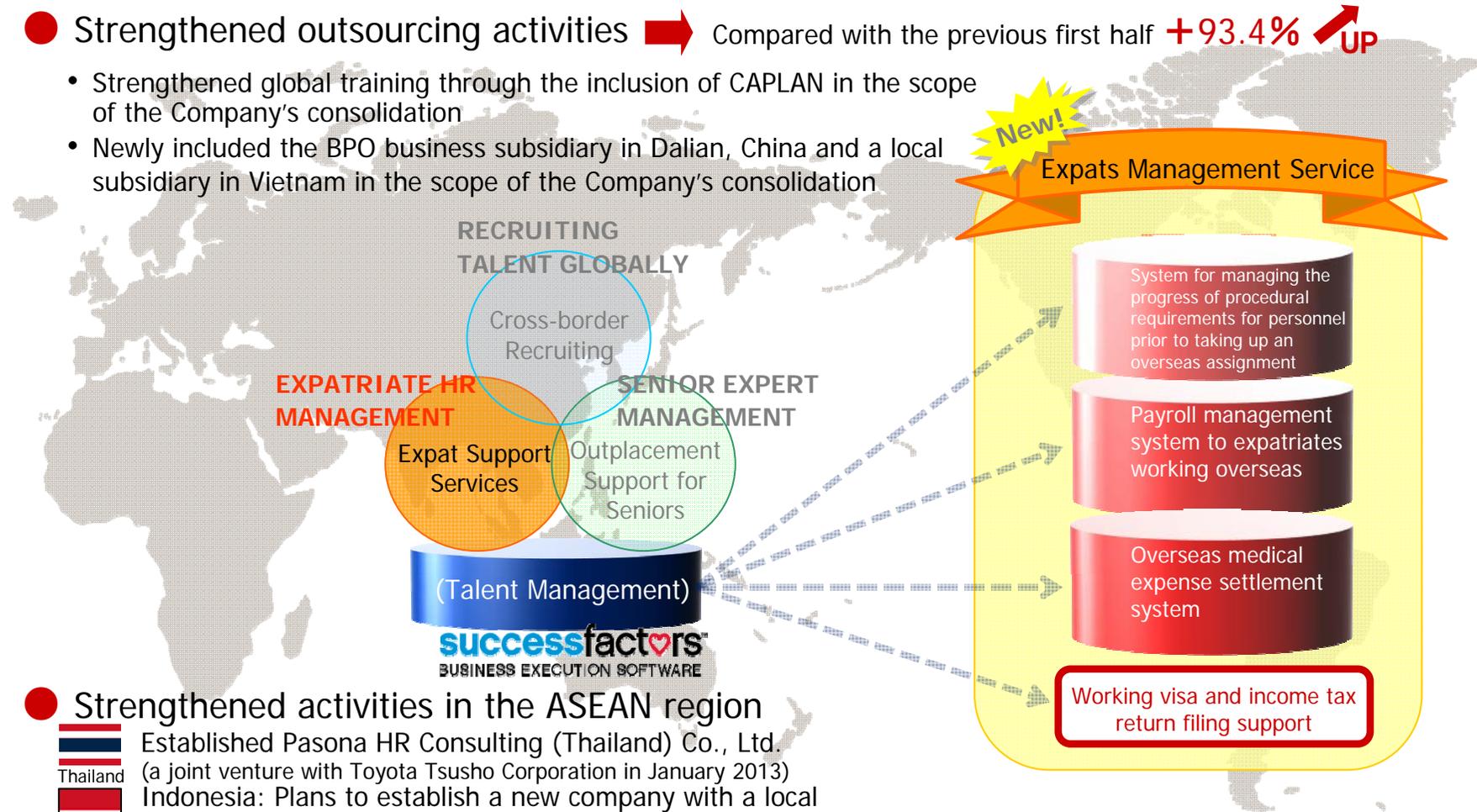
- Worked toward capturing general finance contracts
Expanded the scope of service offerings based on our track record in such areas as administrative centers, resident services, and tax services

➡ Compared with the previous first half **+30%**

III Cultivate and Expand Global Business Operations

● Strengthened outsourcing activities ➡ Compared with the previous first half **+93.4%** **UP**

- Strengthened global training through the inclusion of CAPLAN in the scope of the Company's consolidation
- Newly included the BPO business subsidiary in Dalian, China and a local subsidiary in Vietnam in the scope of the Company's consolidation



● Strengthened activities in the ASEAN region

- Established Pasona HR Consulting (Thailand) Co., Ltd. (a joint venture with Toyota Tsusho Corporation in January 2013)
- Indonesia: Plans to establish a new company with a local temporary staffing company
- Put forward education and training programs for local employees

CAPLAN X CAPLAN
 Pasona Tech Vietnam
 Pasona India
 Pasona HR Indonesia } Commenced from January

2. Overview of the First Half of the Fiscal Year Ending May 31, 2013

Concerning Revisions to Business Results Forecasts for the First Half ended November 30, 2012

- Gross profit margins fell below forecasts:
Attributable to an increase in contracts early on at the start of insourcing activities
- Tax effect impact and a decrease in net income:
Attributable to the recording of a portion of anticipated assets, relating to capital investments with respect to the opening of a Group base in Osaka in September 2012, as expenses

(Millions of yen)

H1 FY2012	Initial Forecast	Results	Change (amount)	Change (%)
Net Sales	103,000	102,976	(23)	(0.0)%
Gross Profit	19,150	19,070	(79)	(0.4)%
SG&A Expenses	18,350	18,355	5	0.0%
Operating Income	800	714	(85)	(10.7)%
Ordinary Income	750	692	(57)	(7.6)%
Net Income	(300)	(454)	(154)	-

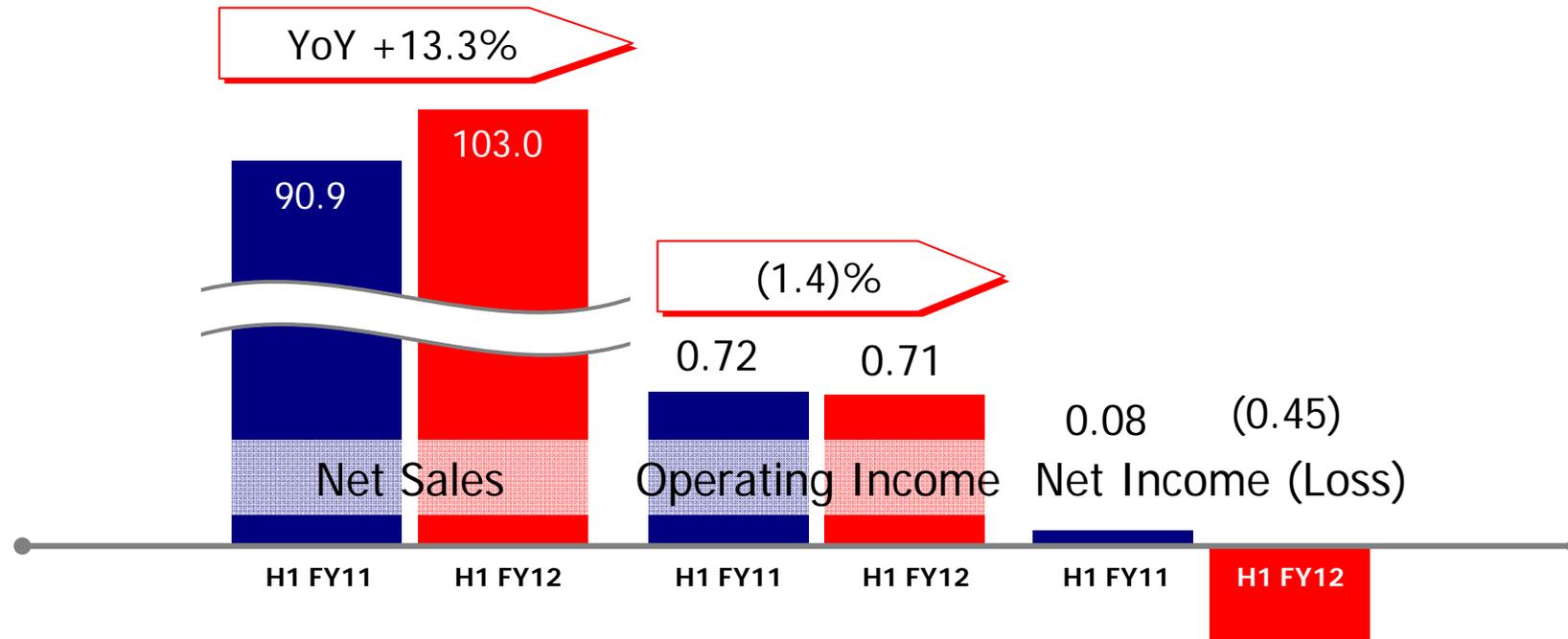
● Gross profit
Decline in Insourcing gross profit margins

● Net income
Tax effect impact attributable to the recording of a portion of anticipated assets as expenses

Gross Profit margin	18.6%	18.5%	(0.1)%pt
SG&A Expense margin	17.8%	17.8%	0.0%pt
Operating Income margin	0.8%	0.7%	(0.1)%pt

Consolidated Results for the First Half ended November 30, 2012

(Billions of yen)



(Millions of yen)	H1 FY11	to net sale %	H1 FY12	to net sales %	vs FY11 Increase/Decrease	YoY
Net sales	90,880	100.0	102,976	100.0	12,095	13.3%
Cost of sales	74,233	81.7	83,905	81.5	9,671	13.0%
Gross profit	16,647	18.3	19,070	18.5	2,423	14.6%
SG&A expenses	15,922	17.5	18,355	17.8	2,433	15.3%
Operating income	724	0.8	714	0.7	(10)	(1.4)%
Ordinary income	744	0.8	692	0.7	(52)	(7.0)%
Net income (loss)	75	0.1	(454)	-	(529)	-

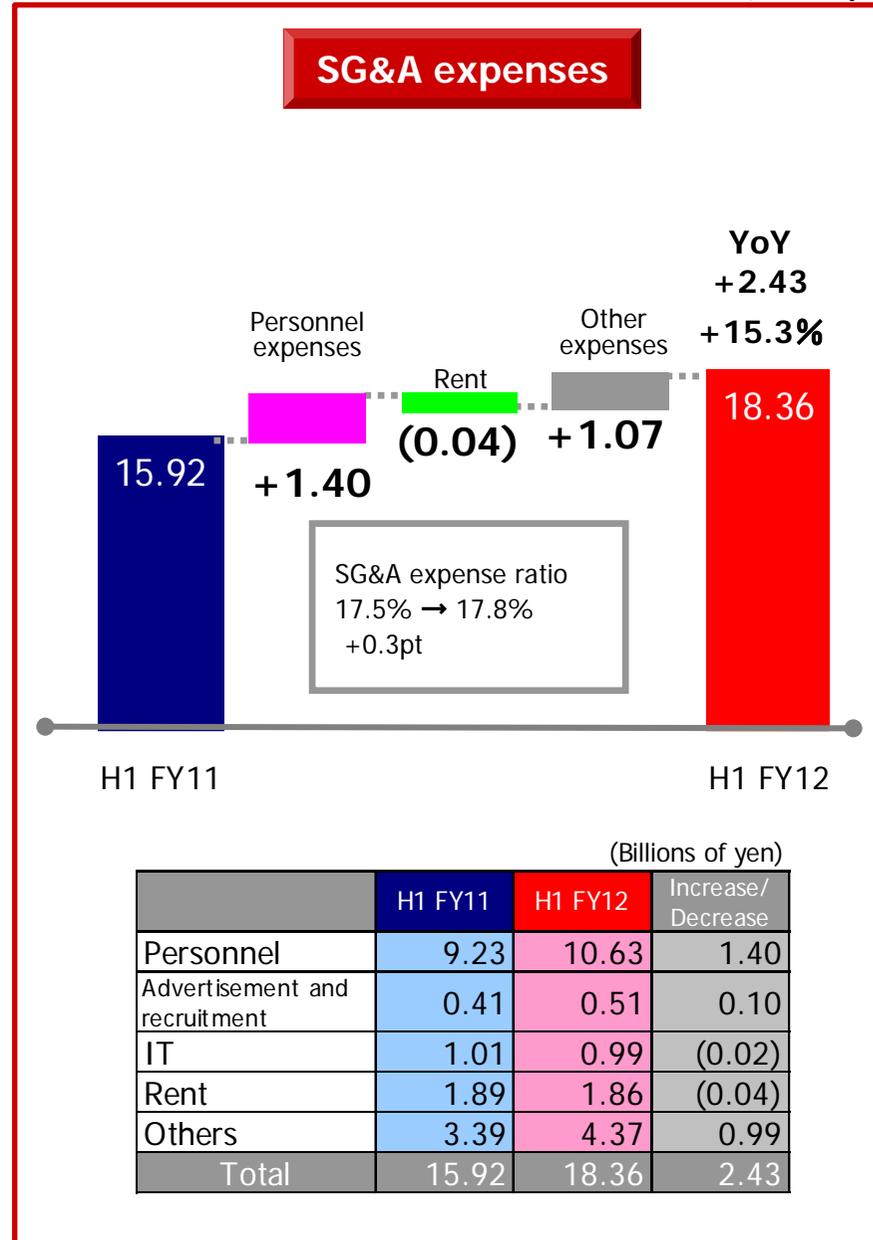
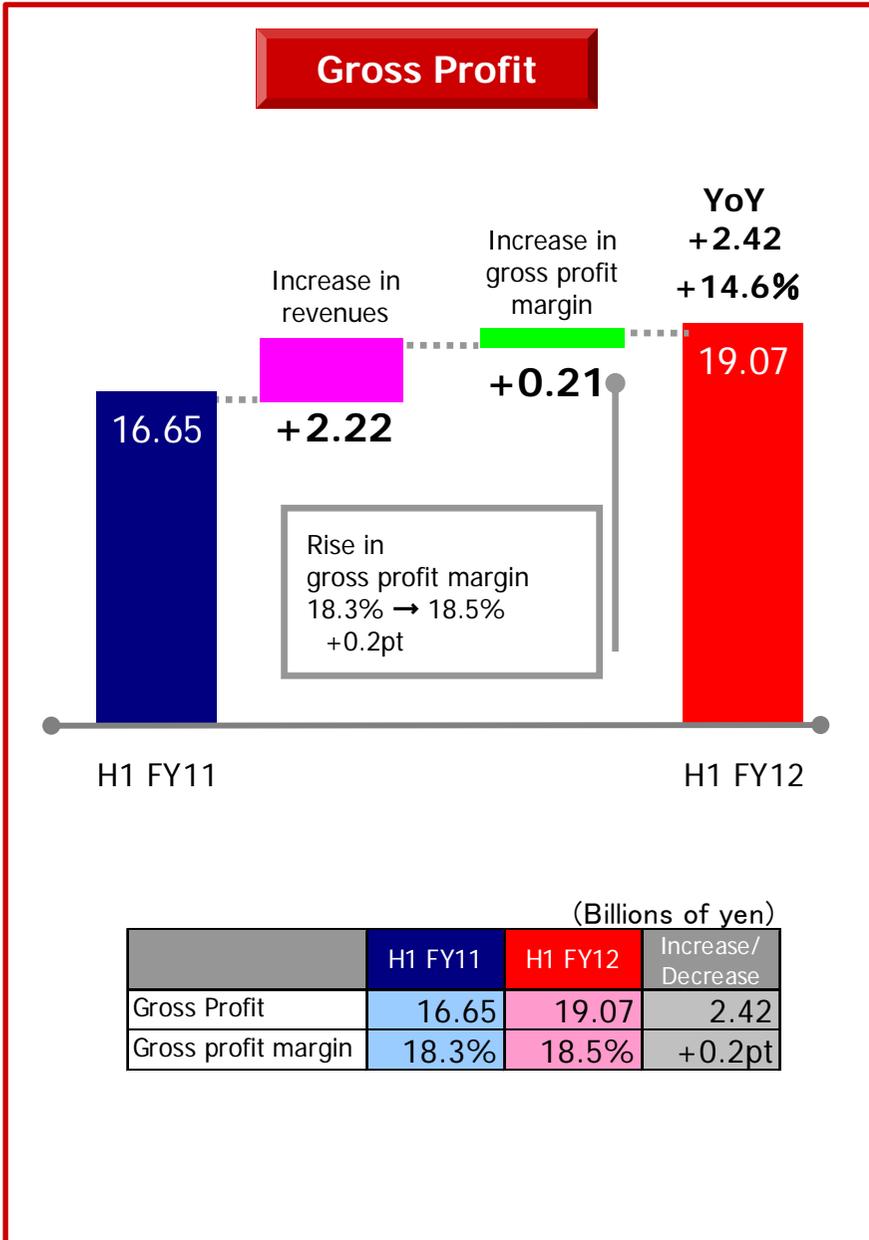
Consolidated Results by Segment

(Millions of yen)

	Segment	Net sales				Operating income				Operating income margin		
		H1 FY11	H1 FY12	Increase/ (Decrease)	YoY	H1 FY11	H1 FY12	Increase/ (Decrease)	YoY	H1 FY11	H1 FY12	Increase/ (Decrease)
1	Expert Services	61,719	65,325	3,606	5.8%	1,049	1,276	226	21.6%	1.3%	1.4%	0.1pt
2	Insourcing	13,486	18,657	5,171	38.3%							
3	HR Consulting, Others (including TTP, nursing care)	955	1,885	929	97.3%							
4	Place & Search	1,244	1,461	216	17.4%							
5	Global Sourcing	1,072	1,323	251	23.5%							
Subtotal		78,477	88,654	10,176	13.0%							
6	Outplacement	4,886	5,746	859	17.6%	593	916	323	54.4%	12.1%	16.0%	3.9pt
7	Outsourcing	7,067	8,176	1,108	15.7%	765	875	109	14.3%	10.8%	10.7%	(0.1)pt
8	Life Solutions Public Solutions Shared	1,830	1,966	135	7.4%	47	18	(28)	(61.0)%	2.6%	0.9%	(1.7)pt
9	Eliminations and Corporate	(1,381)	(1,567)	(185)	-	(1,731)	(2,371)	(640)	-	-	-	-
10	Total	90,880	102,976	12,095	13.3%	724	714	(10)	(1.4)%	0.8%	0.7%	(0.1)pt

Gross Profit, SG&A expenses

(Billions of yen)



Non-operating/Extraordinary income, Others

(Millions of yen)

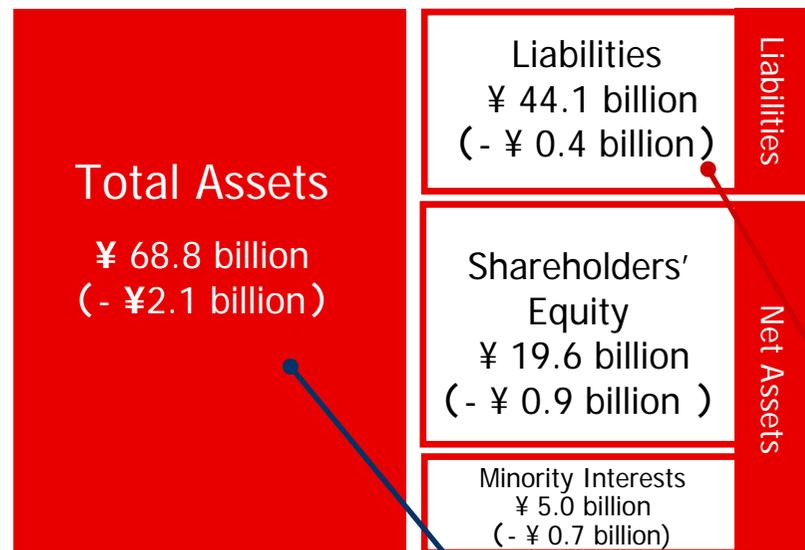
	H1 FY11	H1 FY12	Increase/ Decrease	YoY
Operating income	724	714	(10)	(1.4)%
Non-operating income	167	125	(41)	(24.7)%
Non-operating expenses	146	147	0	0.5%
Ordinary income	744	692	(52)	(7.0)%
Extraordinary income	58	0	(58)	-
Extraordinary loss	15	38	22	146.3%
Income before income taxes	788	654	(133)	(16.9)%
Income taxes—current	483	716	232	48.2%
Income taxes—deferred	(14)	91	106	-
Minority interests in income	244	301	57	23.4%
Net income (loss)	75	(454)	(529)	-

● Extraordinary income
Gain on donation of noncurrent assets
58 million yen

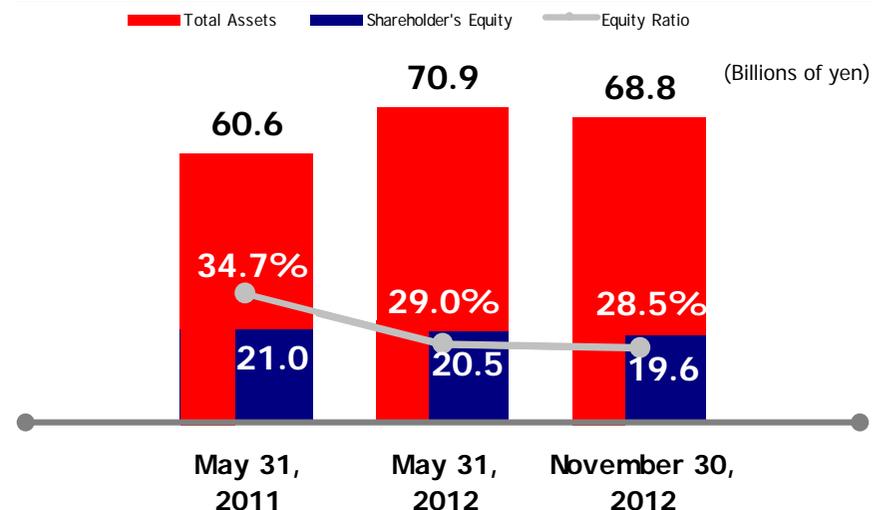
● Minority interests in income
Increased in accordance with M&A

Financial Position

As of November 30, 2012
 • Figures in parentheses indicate changes from the end of the previous fiscal year.



Total Assets, Shareholders' Equity, Equity Ratio



Cash Flows

(Billions of yen)

	H1 FY11	H1 FY12
Cash flows from operating activities	(1.6)	(0.7)
Cash flows from investing activities	(1.3)	(3.0)
Cash flows from financing activities	(2.1)	(3.7)
Cash and cash equivalents at the end of the period	17.5	15.6
Free cash flows	(2.9)	(3.7)

• Decreases in long-term loans payable	¥(1.3) billion
• Increase in lease obligations	¥0.9 billion
• Decrease in cash and deposits	¥(7.1) billion
• Increase in accounts receivable-trade and accounts due	¥1.9 billion
• Increase in property, plant and equipment	¥1.5 billion
• Income before income taxes	¥0.7 billion
• Depreciation expense	¥1.3 billion
• Increase in notes and accounts receivable—trade	¥(0.7) billion
• Decrease in operating debt	¥(0.8) billion
• Income taxes paid	¥(0.7) billion
• Purchase of property, plant and equipment	¥(1.9) billion
• Purchase of investment securities	¥(0.6) billion
• Repayment of long-term loans payable	¥(1.3) billion
• Payments made to trust account for acquisition of treasury stock of a subsidiary in consolidation	¥(1.4) billion
• Payment for dividends	¥(0.8) billion

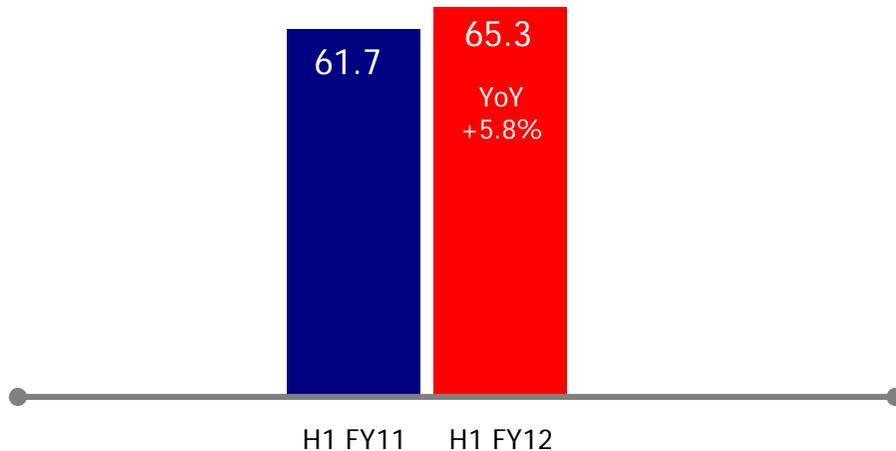
Expert Services (Temporary staffing) Sales by Staffing Type



Net Sales

※ Segment figures include intersegment sales

(Billions of yen)



Sales by Staffing Type

※ Figures exclude intrasegment sales



(Millions of yen)

	H1 FY11	H1 FY12	YoY
Clerical	34,949	35,998	3.0%
Technical	12,436	14,458	16.3%
IT engineering	7,884	8,800	11.6%
Sales and Marketing	3,905	3,102	(20.6)%
Other Expert Services	2,431	2,828	16.3%
Total	61,607	65,188	5.8%

Results for the First Half

- Brake on the downturn in corporate sector demand for temporary staff; orders exhibiting a recovery trend
- Growth in Technical and IT fields due mainly to successful efforts to upgrade, expand, and strengthen specialized human resources in line with the inclusion of such companies as CAPLAN and Yaskawa Business Staff in the scope of the Company's consolidation as subsidiary companies

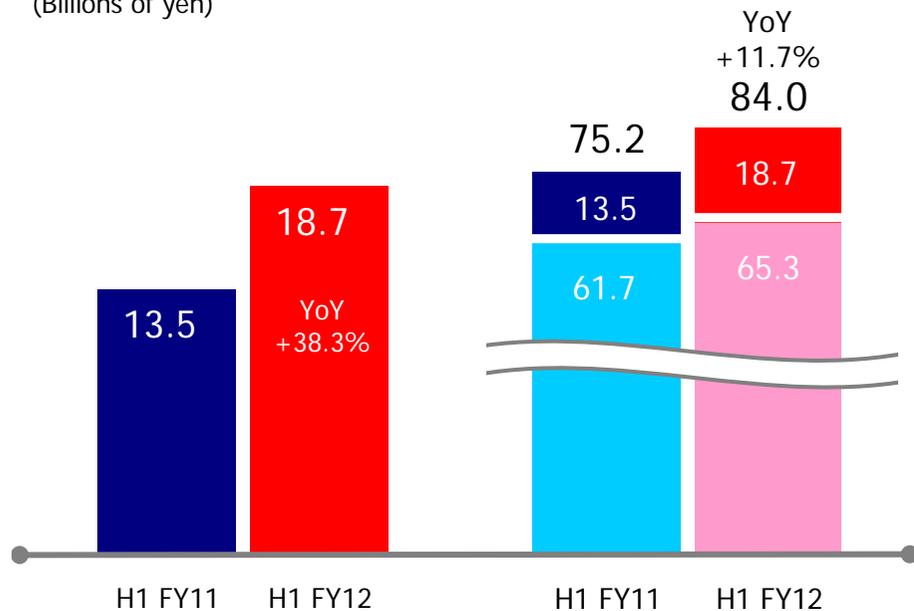
Plans for the Second Half

- Strengthen proposals that offer the additional benefits of cloud services
- Further enhance specialized capabilities while responding to increasingly diverse customer needs
 - ⇒ Merger of Pasona Tech and Pasona Engineering (October 2012)
 - ⇒ Established Pasona Tquila Inc. (November 2012)

Net Sales

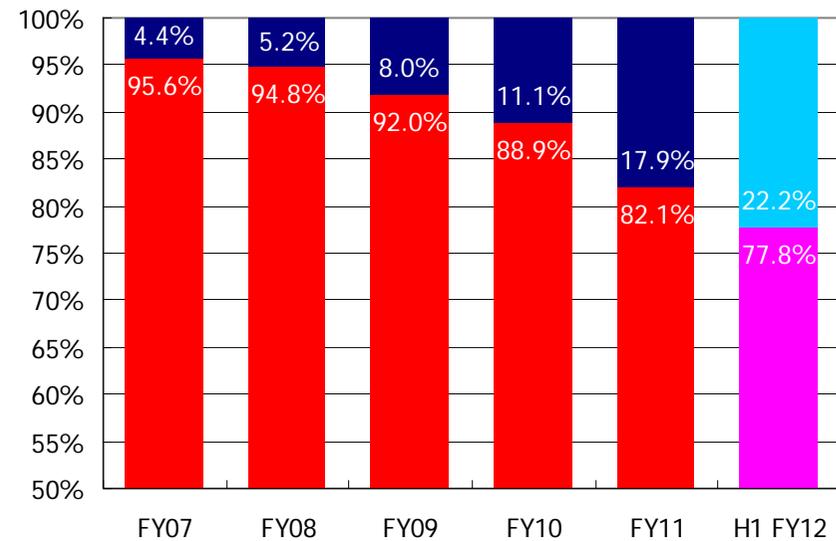
(Billions of yen)

■ Insourcing (Contracting)
■ Expert Services (Temporary staffing)



Net Sales Composition

■ Insourcing (Contracting)
■ Expert Services (Temporary staffing)



Results for the First Half

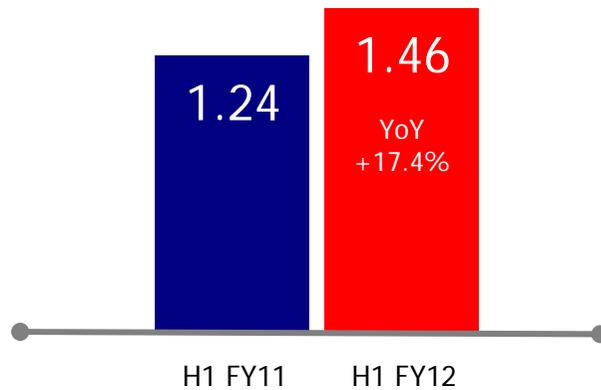
- Improvement in results on the back of proposals recommending the switch from temporary staffing to Insourcing. Increase in private-sector corporate contracts based also on the perspective of raising management efficiency
- A stagnant performance by the emergency employment business, which experienced growth during the previous period; on the other hand, steady increase in the contracting of agent services for government services and operations

Plans for the Second Half

- Aim for the further development of proposals that deliver such additional benefits as increased efficiency in operating flows that incorporate cloud services
- CAPLAN includes Asahi Beer Communications, Ltd. (business operation contracting including plant tours) in its scope of consolidation as a subsidiary company

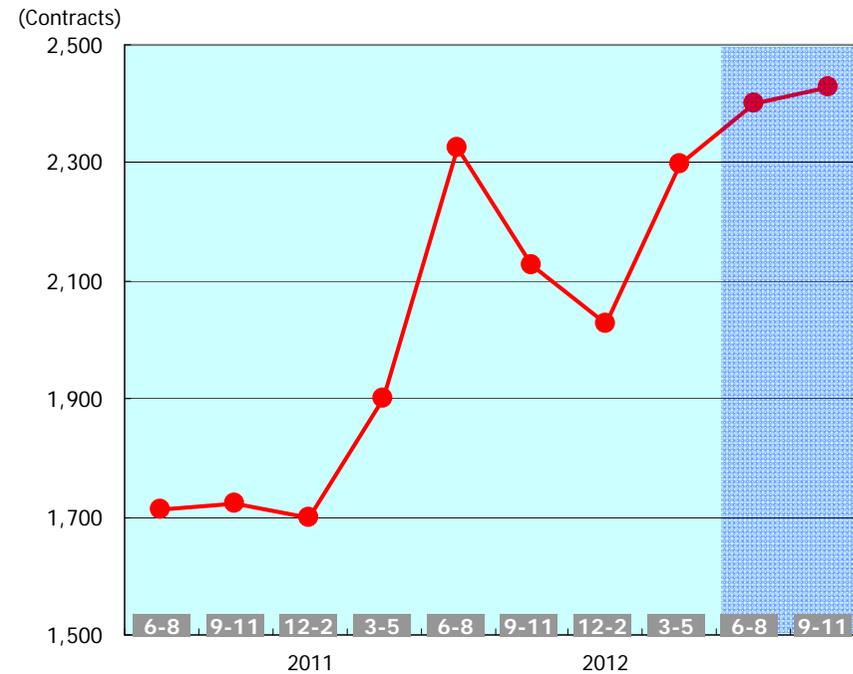
Net Sales

(Billions of yen)



No. of Orders (Consolidated)

(Quarterly average)



Results for the First Half

- Increased interest in the willingness to recruit human resources with the skills to achieve immediate results focusing mainly on such areas as IT, manufacturing, healthcare administration, and welfare
- Increase in demand for global human resources in the area of domestic operations

Plans for the Second Half

- Forecast continued sound job offer environment
- Aim to diversify recruiting methods including the renewal of homepage channels and improve closure rates

Global Sourcing (Overseas)

Net Sales

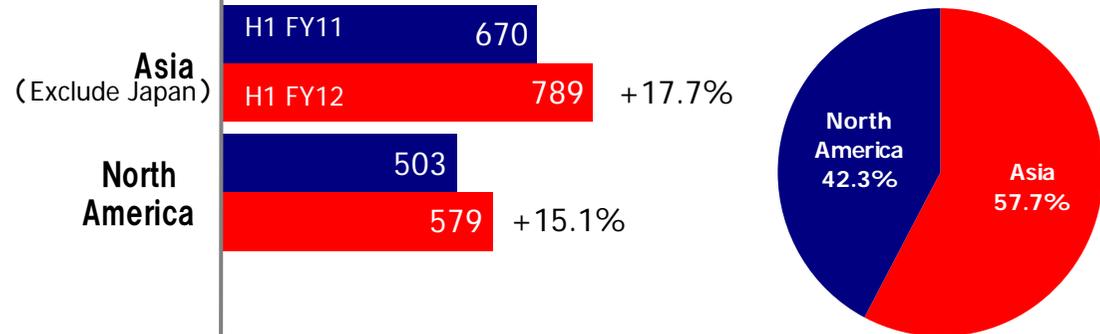
(Billions of yen)

Note: Effective from FY2012, Pasonatech Consulting (Dalian) and Pasona Tech Vietnam have been included within the Company's scope of consolidation.



Net Sales by Region

(Millions of yen)



	H1 FY11	H1 FY12	YoY
Temporary Staffing	392	449	+14.7%
Placement / Recruiting	513	550	+7.1%
Outsourcing	153	297	+93.4%
Others	12	26	+113.0%
Total	1,072	1,323	+23.5%

Results for the First Half

- Growth in outsourcing services demand such as integrating management of expatriate payroll and labor operations in Asia and North America
- BPO business subsidiary in Dalian, China and local subsidiary in Vietnam included in the Company's scope of consolidation from the current period

Plans for the Second Half

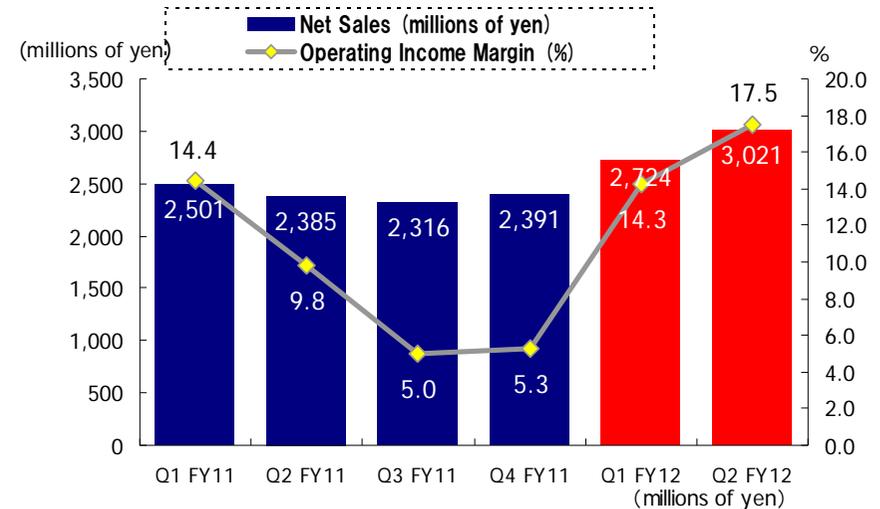
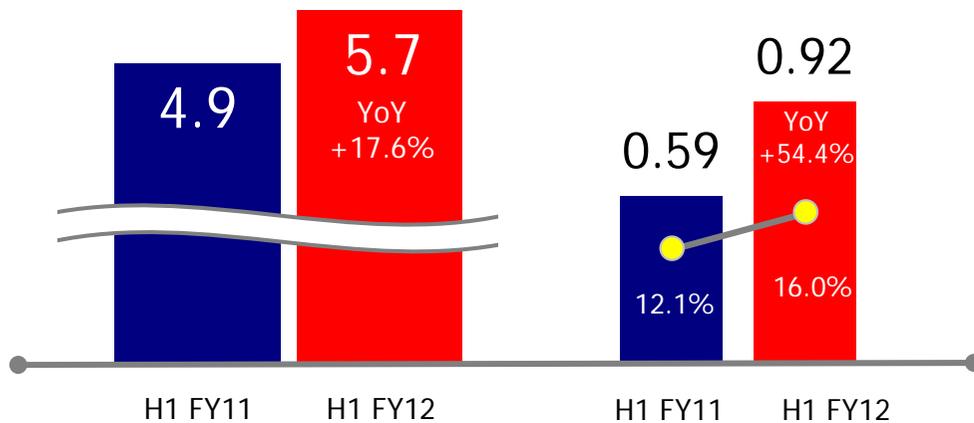
- Strengthen outsourcing activities
⇒ Add an expatriate management function to the talent management system
- Strengthen activities in the ASEAN region
⇒ Established Pasona HR Consulting (Thailand) Co., Ltd. (a joint venture with Toyota Tsusho Corporation in January 2013)

Net Sales

Operating Income, Operating Income Margin

Quarterly Net Sales and Operating Income Margin

(Billions of yen)



	H1 FY11	H1 FY12	YoY
Sales	4,886	5,746	17.6%
Operating income	593	916	54.4%

Results for the First Half

- Substantial increase in orders against the backdrop of corporate downsizing due mainly to deteriorating operating conditions for major manufacturers
- Cultivating new demand in such areas as consulting and career training on the back of re-employment obligation for human resources up to the age of 65

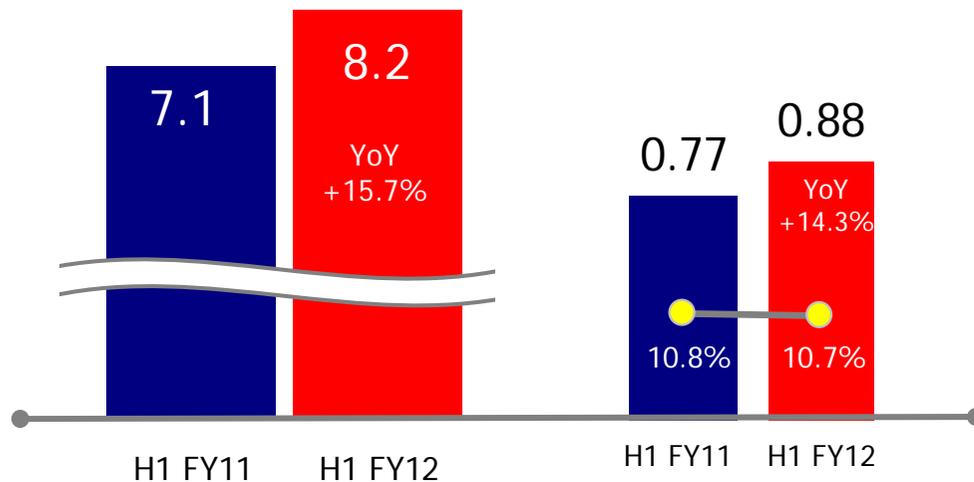
Plans for the Second Half

- Based on the forecast continued steady stream of orders, aim to increase productivity as a part of efforts to address the priority issue of securing a quick and definitive turnaround in the placement of job seekers
- Take steps to promote consultant human resource training; strengthen efforts to improve skills

Net Sales

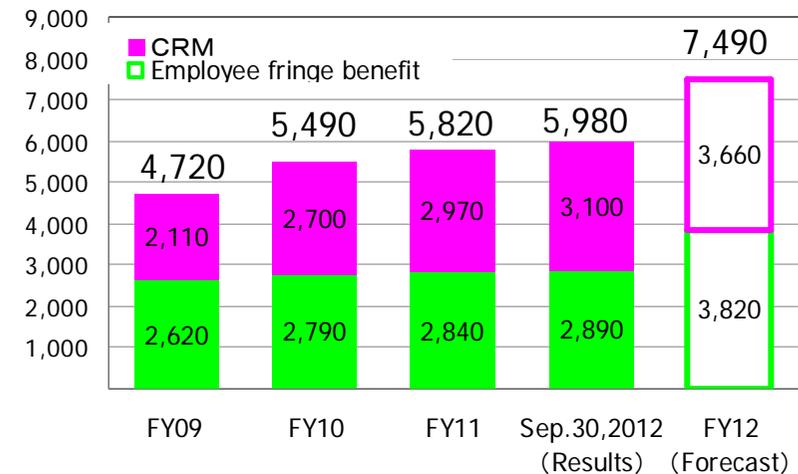
Operating Income, Operating Income Margin

(Billions of yen)



Benefit One Membership

(Thousands people)



(millions of yen)

	H1 FY11	H1 FY12	YoY
Sales	7,067	8,176	15.7%
Operating income	765	875	14.3%

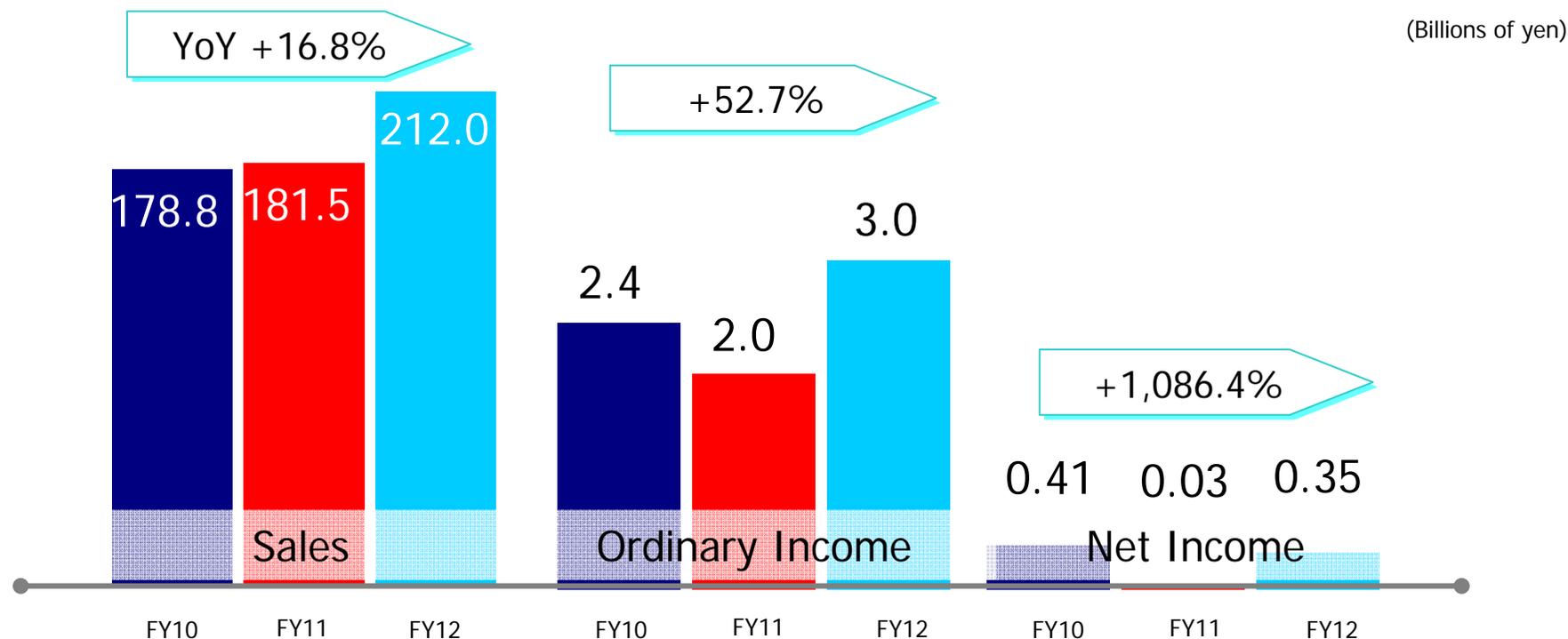
Results for the First Half

- Benefit One Solutions (previously: Unimat Solutions Corporation), a cost reduction consulting business, and Benefit One Healthcare Inc. (previously: Hoken Kyouiku Center Co., Ltd.), which specializes in healthcare business activities contribute to the Group's results from the current period
- Steady progress in the exchange of points in the incentive business

Plans for the Second Half

- Work to diversity sources of earnings
 - ⇒ Endeavor to optimize the business portfolio by promoting growth as well as M&As in the incentive and personal businesses
- Position the incentive business at the core of overseas business development activities
 - ⇒ Established Benefit One USA, Inc. as a second overseas base following on the establishment of a base in Shanghai (October 2012)

Consolidated Forecasts for the Fiscal Year Ending May 31, 2013



(Millions of yen)	FY10	to net sales %	FY11	to net sales %	FY12 Forecast	to net sales	vs FY11 Increase/Decrease	YoY
Net sales	178,806	100.0	181,498	100.0	212,000	100.0	30,501	16.8%
Cost of sales	145,247	81.2	147,693	81.4	171,900	81.1	24,206	16.4%
Gross profit	33,558	18.8	33,805	18.6	40,100	18.9	6,294	18.6%
SG&A expenses	31,125	17.4	31,840	17.5	37,100	17.5	5,259	16.5%
Operating income	2,432	1.4	1,964	1.1	3,000	1.4	1,035	52.7%
Ordinary income	2,571	1.4	2,091	1.2	2,900	1.4	808	38.7%
Net income	412	0.2	29	0.0	350	0.2	320	1,086.4%

Consolidated Forecasts by Segment for the Fiscal Year Ending May 31, 2013



(Millions of yen)

Segment	Sales							Operating income						
	FY11	FY12 Initial Forecast	FY12 Revised Forecast	VS Initial forecast Increase/Decrease	VS Initial forecast %	VS FY11 Increase/Decrease	VS FY11 %	FY11	FY12 Initial Forecast	FY12 Revised Forecast	VS Initial forecast Increase/Decrease	VS Initial forecast %	VS FY11 Increase/Decrease	VS FY11 %
	(A)	(B)	(C)	(C)-(B)		(C)-(A)		(D)	(E)	(F)	(F)-(E)		(F)-(D)	
Expert Services	122,491	133,250	131,200	(2,050)	(1.5)%	8,708	7.1%	2,211	3,130	2,720	(410)	(13.1)%	508	23.0%
Insourcing	26,748	39,950	39,590	(360)	(0.9)%	12,841	48.0%							
HR Consulting, Others (including TTP, nursing care)	1,767	4,050	4,050	0	0.0%	2,282	129.1%							
Place & Search	2,692	3,000	3,000	0	0.0%	307	11.4%							
Global Sourcing	2,327	2,650	2,800	150	5.7%	472	20.3%							
Subtotal	156,028	182,900	180,640	(2,260)	(1.2)%	24,611	15.8%	834	1,070	1,860	790	73.8%	1,025	122.8%
Outplacement	9,594	10,190	12,500	2,310	22.7%	2,905	30.3%	2,479	2,800	2,800	0	0.0%	320	12.9%
Outsourcing	14,959	17,910	17,910	0	0.0%	2,950	19.7%	42	0	(80)	(80)	-	(122)	-
Life Solutions Public Solutions Shared	3,732	3,920	4,060	140	3.6%	327	8.8%	(3,603)	(4,000)	(4,300)	(300)	-	(696)	-
Eliminations and Corporate	(2,816)	(2,920)	(3,110)	(190)	-	(293)	-	1,964	3,000	3,000	0	0.0%	1,035	52.7%
Consolidated	181,498	212,000	212,000	0	0.0%	30,501	16.8%							

3. Reference

Expert Services Marketing Data

(Pasona data: Number of people)

(Japan Staffing Service Association: Number of people)



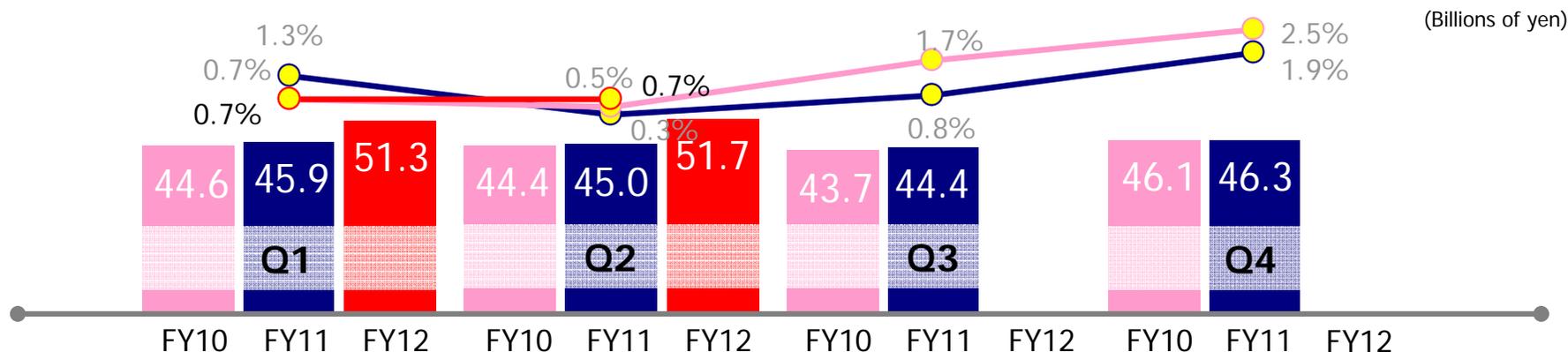
	FY10				FY11				FY12	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Industry - wide	306,253	300,404	305,326	297,522	290,833	294,843	293,053	288,042	283,201	
YoY	(9.9)%	(6.9)%	(5.7)%	(5.6)%	(5.0)%	(1.9)%	(4.0)%	(3.2)%	(2.6)%	
Consolidated (Domestic)	36,959	36,989	37,138	37,337	35,731	35,481	35,642	35,698	37,101	36,750
YoY	(9.6)%	(5.0)%	(3.3)%	(0.9)%	(3.3)%	(4.1)%	(4.0)%	(4.4)%	3.8%	3.6%

※Long-term Temporary Staff data presented on a consolidated and domestic basis.
 Temporary staffing business data: Pasona Inc.: June 1 to May 31
 Other subsidiaries : April 1 to March 31

Quarterly Earnings Trends

Net Sales

- Operating Income Margin FY09
- Operating Income Margin FY10
- Operating Income Margin FY11



	Q1 (June to August)					Q2 (September to November)					Q3 (December to February)			Q4 (March to May)		
	FY10	FY11	YoY	FY12	YoY	FY10	FY11	YoY	FY12	YoY	FY10	FY11	YoY	FY10	FY11	YoY
	Consolidated															
Net sales	44,574	45,901	3.0%	51,270	11.7%	44,419	44,979	1.3%	51,705	15.0%	43,669	44,364	1.6%	46,142	46,252	0.2%
Gross profit	8,142	8,488	4.3%	9,517	12.1%	8,031	8,158	1.6%	9,553	17.1%	8,381	8,249	(1.6)%	9,003	8,908	(1.1)%
SG&A expenses	7,831	7,886	0.7%	9,181	16.4%	7,811	8,035	2.9%	9,174	14.2%	7,630	7,894	3.5%	7,857	8,023	2.1%
Operating income	310	601	93.9%	335	(44.3)%	220	122	(44.4)%	379	209.0%	750	355	(52.6)%	1,145	884	(22.8)%
Ordinary income	319	560	75.4%	330	(41.0)%	258	184	(28.7)%	362	96.5%	747	393	(47.3)%	1,240	952	(23.2)%
Net income (loss)	(471)	111	-	(193)	-	(77)	(36)	-	(260)	-	214	(181)	-	747	136	(81.7)%
Gross profit margin	18.3%	18.5%	+0.2pt	18.6%	0.1pt	18.1%	18.1%	+0.0pt	18.5%	+0.4pt	19.2%	18.6%	(0.6)pt	19.5%	19.3%	(0.2)pt
SG&A expense ratio	17.6%	17.2%	(0.4)pt	17.9%	0.7pt	17.6%	17.9%	+0.3pt	17.7%	(0.2)pt	17.5%	17.8%	+0.3pt	17.0%	17.3%	+0.3pt
Operating income margin	0.7%	1.3%	+0.6pt	0.7%	(0.6)pt	0.5%	0.3%	(0.2)pt	0.7%	+0.4pt	1.7%	0.8%	(0.9)pt	2.5%	1.9%	(0.6)pt
Ordinary income margin	0.7%	1.2%	+0.5pt	0.6%	(0.6)pt	0.6%	0.4%	(0.2)pt	0.7%	+0.3pt	1.7%	0.9%	(0.8)pt	2.7%	2.1%	(0.6)pt
Net income margin	-	0.2%	-	-	-	-	-	-	-	-	0.5%	-	-	1.6%	0.3%	(1.3)pt

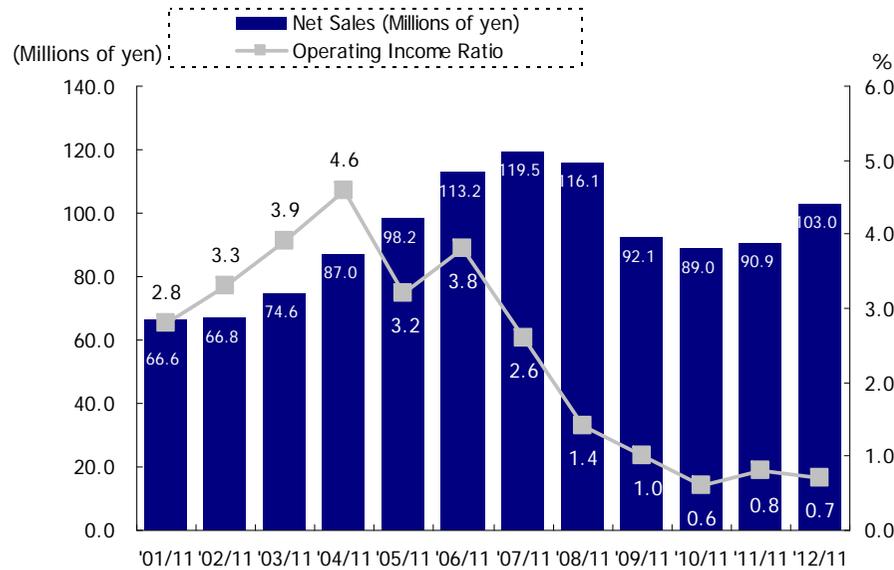
Quarterly Earnings Trends by Segment

(Millions of yen)

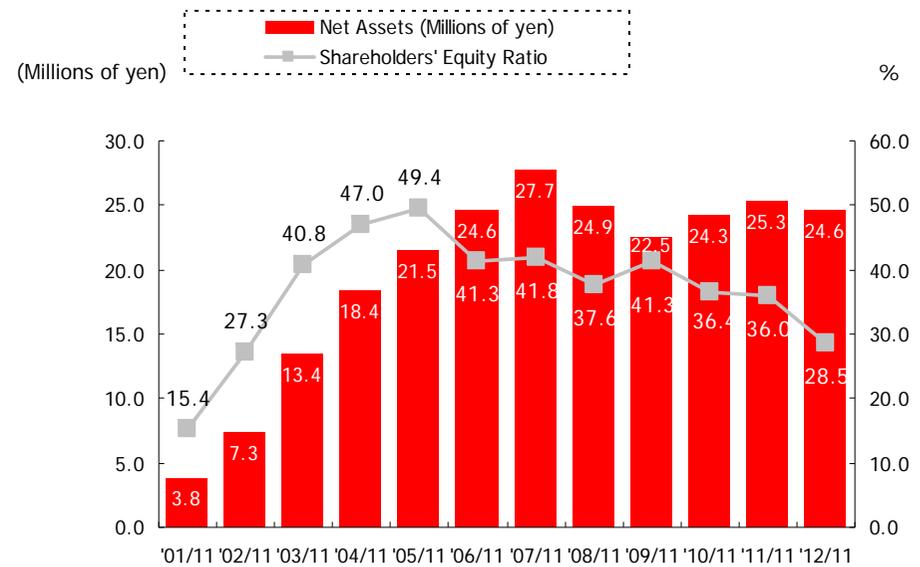
	Segment	Sales							Operating income						
		Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11	Q1 FY12	Q1 FY12	YoY	Q1 FY11	Q2 FY11	Q3 FY11	Q4 FY11	Q1 FY12	Q1 FY12	YoY
1	Expert Services	31,435	30,283	29,935	30,836	32,971	32,354	6.8%							
2	Insourcing	6,716	6,770	6,459	6,802	9,149	9,508	40.4%							
3	HR Consulting, Others (including TTP, nursing care.)	494	460	367	444	916	968	110.2%	643	405	225	936	603	672	65.8%
4	Place & Search	571	672	687	759	743	717	6.7%							
5	Global Sourcing	569	502	541	714	668	655	30.4%							
Subtotal		39,787	38,690	37,992	39,557	44,449	44,204	14.3%							
6	Outplacement	2,501	2,385	2,316	2,391	2,724	3,021	26.7%	361	232	115	125	388	528	127.1%
7	Outsourcing	3,428	3,639	3,772	4,118	3,886	4,289	17.9%	372	393	863	850	469	406	3.2%
8	Life Solutions Public Solutions Shared	889	940	954	947	987	979	4.1%	21	26	59	(63)	40	(21)	-
9	Eliminations and Corporate	(706)	(675)	(671)	(762)	(777)	(789)	-	(796)	(935)	(907)	(965)	(1,166)	(1,205)	-
10	Total	45,901	44,979	44,364	46,252	51,270	51,705	15.0%	601	122	355	884	335	379	209.0%

Key Indicators (First Half)

Net Sales and Operating Income Ratio



Net Assets and Shareholders' Equity Ratio



First Half Results

Key Indicators	'01/11	'02/11	'03/11	'04/11	'05/11	'06/11	'07/11	'08/11	'09/11	'10/11	'11/11	'12/11
Net Sales	66,593	66,822	74,641	87,016	98,247	113,202	119,516	116,086	92,069	88,994	90,880	102,976
Gross Profit Margin	17.6%	18.9%	20.1%	20.6%	19.8%	20.3%	20.4%	20.0%	19.2%	18.2%	18.3%	18.5%
SG&A Expenses	9,823	10,386	12,091	13,905	16,290	18,654	21,274	21,598	16,784	15,640	15,922	18,355
SG&A Expense Ratio	14.8%	15.6%	16.2%	16.0%	16.6%	16.5%	17.8%	18.6%	18.2%	17.6%	17.5%	17.8%
Operating Income	1,878	2,211	2,892	3,982	3,123	4,314	3,071	1,598	905	533	724	714
Operating Income Ratio	2.8%	3.3%	3.9%	4.6%	3.2%	3.8%	2.6%	1.4%	1.0%	0.6%	0.8%	0.7%
Ordinary Income	1,738	2,086	2,707	3,990	3,103	4,392	3,145	1,803	933	580	744	692
Ordinary Income Ratio	2.6%	3.1%	3.6%	4.6%	3.2%	3.9%	2.6%	1.6%	1.0%	0.7%	0.8%	0.7%
Net Income (Loss)	822	931	1,272	2,319	1,482	2,073	1,063	203	(1,696)	(549)	75	(454)
Net Income Ratio	1.2%	1.4%	1.7%	2.7%	1.5%	1.8%	0.9%	0.2%	-	-	0.1%	-
Total Assets	24,808	26,796	32,759	39,150	43,526	49,918	55,216	52,670	42,866	55,084	57,480	68,768
Net Assets *1	3,824	7,316	13,374	18,381	21,509	24,573	27,736	24,939	22,497	24,260	25,295	24,619
Shareholders' Equity Ratio *2	15.4%	27.3%	40.8%	47.0%	49.4%	41.3%	41.8%	37.6%	41.3%	36.4%	36.0%	28.5%
Current Ratio	117.0%	122.7%	146.9%	177.2%	182.0%	152.3%	150.8%	136.4%	148.1%	190.7%	172.4%	144.4%

Notes: 1. Presentation of shareholders' equity amended to a net assets basis in line with changes to accounting standards and policies.

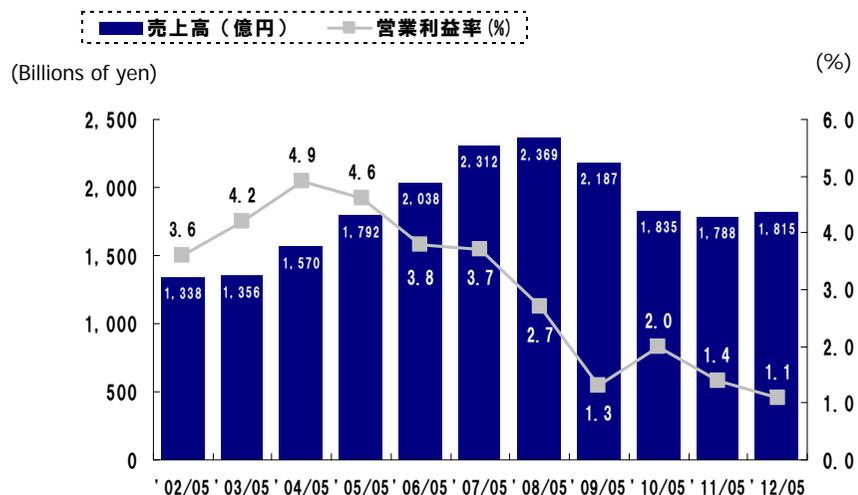
Minority interests included in presentation of net assets since the fiscal year ended May 31, 2006

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 December 30, 2006 is calculated utilizing an amount equivalent to net assets applicable to common shares

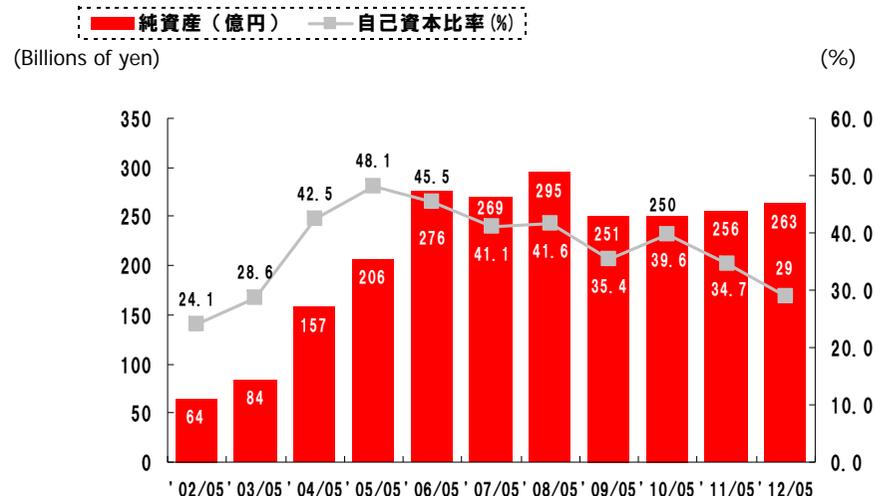
3. Pasona Inc. consolidated business results for the fiscal year ended December 30, 2008 have been used for comparative purposes.

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	'12/05
Net Sales	133,822	135,625	156,979	179,156	203,815	231,231	236,945	218,699	183,515	178,806	181,498
Gross Profit Margin	18.2%	19.7%	20.9%	20.8%	20.2%	20.3%	20.8%	19.9%	20.0%	18.8%	18.6%
SG&A Expenses	19,557	21,058	25,104	28,992	33,491	38,542	42,925	40,735	33,070	31,125	31,840
SG&A Expense Ratio	14.6%	15.5%	16.0%	16.2%	16.4%	16.6%	18.1%	18.6%	18.0%	17.4%	17.5%
Operating Income	4,786	5,687	7,648	8,238	7,745	8,507	6,444	2,850	3,660	2,432	1,964
Operating Income Ratio	3.6%	4.2%	4.9%	4.6%	3.8%	3.7%	2.7%	1.3%	2.0%	1.4%	1.1%
Ordinary Income	4,222	5,373	7,329	8,289	7,844	8,807	6,637	3,361	4,044	2,571	2,091
Ordinary Income Ratio	3.2%	4.0%	4.7%	4.6%	3.8%	3.8%	2.8%	1.5%	2.2%	1.4%	1.2%
Net Income	1,974	2,027	3,647	4,363	3,588	4,198	2,962	312	204	412	29
Net Income Ratio	1.5%	1.5%	2.3%	2.4%	1.8%	1.8%	1.3%	0.1%	0.1%	0.2%	0.0%
Total Assets	26,526	29,425	37,004	42,884	51,931	54,425	58,513	55,468	52,269	60,564	70,889
Net Assets *1	6,388	8,418	15,732	20,644	27,634	26,904	29,468	25,148	24,979	25,642	26,295
Shareholders' Equity Ratio *2	24.1%	28.6%	42.5%	48.1%	45.5%	41.1%	41.6%	35.4%	39.6%	34.7%	29.0%
Current Ratio	121.6%	122.3%	160.2%	182.8%	170.8%	152.1%	154.2%	129.6%	163.3%	175.2%	154.7%
Number of Employees (exclude contract workers)	1,537	1,687	1,979	2,204	2,608	3,126	3,647	3,671	3,643	3,956	4,452

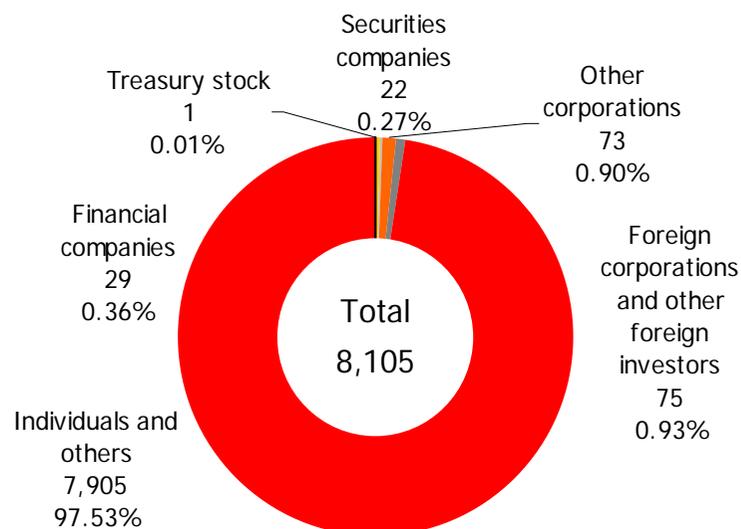
Notes: 1. Presentation of shareholders' equity amended to a net assets basis in line with changes to accounting standards and policies. Minority interests included in presentation of net assets since the fiscal year ended May 31, 2006.

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.

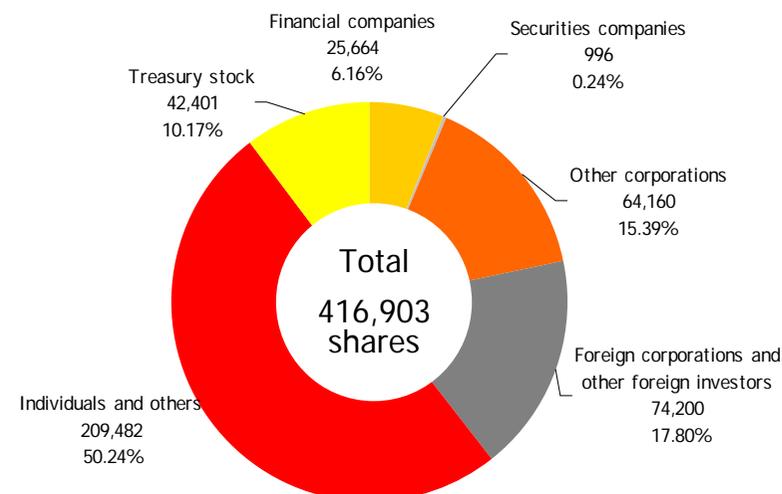
3. The data for the periods up to and including the fiscal year ended May 31, 2007 are consolidated data for Pasona Inc. The data for the periods commencing the fiscal year ended May 31, 2008 and beyond are consolidated data for Pasona Group Inc.

Stock Information (As of November 30, 2012)

Breakdown of Shareholders by Type



Breakdown of Shareholders by Number of Share Held



Principal Shareholders

	No. of Shares Held	%
Yasuyuki Nambu	147,632	35.41%
Pasona Group Inc.	42,401	10.17%
Nambu Enterprise Inc.	37,378	8.97%
State Street Bank and Trust Company 505223	32,314	7.75%
Sanrio Company, Ltd.	12,000	2.88%
State Street Bank and Trust Company	9,148	2.19%
Mellon Bank N.A. as agent for its client Mellon Omnibus US Pension	6,980	1.67%
State Street Bank and Trust Company	6,811	1.63%
Pasona Group Employees' Shareholding Association	6,157	1.48%
State Street Bank and Trust Company 505225	6,041	1.45%

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 40,488 shares as of January 7, 2013 outlined the delivery of a Substantial Shareholding Report submitted to the Kanto Local Finance Bureau on January 15, 2013. As the Company is unable to confirm the number of shares held as of November 30, 2012, 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	<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	5,539 (Consolidated, including contract workers) (As of May 31, 2012)	
Group Companies	Subsidiaries 37, Affiliates 2	
URL	http://www.pasonagroup.co.jp/english/	

(As of November 30, 2012)