



1st Quarter FY December 2008 Earnings Announcement (Non-Consolidated)

May 8, 2008

Company en-japan inc. Securities Exchange Osaka Securities Exchange
 Stock Code 4849 URL <http://corp.en-japan.com/>
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(figures are rounded to the nearest million)

1. 1st Quarter FY December 2008 Financial Positions and Earnings Performance (from January 1, 2008 to March 31, 2008)

(1) Earnings Performance (% displayed are quarterly year-on-year comparisons)

	Net Sales		Operating Income		Ordinary Income		Net Income, Current Quarter	
	Millions Yen	%	Millions Yen	%	Millions Yen	%	Millions Yen	%
1st Quarter FYE12/08	5,557	8.2	1,782	9.5	1,763	7.9	998	10.0
1st Quarter FYE 12/07	5,135	43.7	1,627	14.1	1,634	14.4	907	14.2
FYE 12/07	22,686	—	7,564	—	7,573	—	4,168	—

	EPS		Fully Diluted EPS	
	Yen		Yen	
1st Quarter FYE12/08	4,106	.68	4,044	.44
1st Quarter FYE 12/07	3,751	.89	3,638	.84
FYE 12/07	17,209	.57	16,744	.56

(2) Financial Position

	Total Assets	Net Assets	Net Asset Ratio	BVPS	
	Millions Yen	Millions Yen	%	Yen	
1st Quarter FYE12/08	15,155	11,682	77.1	48,066	42
1st Quarter FYE 12/07	13,180	9,783	74.2	40,439	92
FYE 12/07	18,382	13,221	71.9	54,419	05

(3) Cash Flow Condition

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Millions Yen	Millions Yen	Millions Yen	Millions Yen
1st Quarter FYE12/08	-274	83	-2,455	5,326
1st Quarter FYE 12/07	-100	-500	-669	4,902
FYE 12/07	5,293	-2,899	-564	8,003

2. Dividends

	Dividend per Share
(Date of Record)	1 st Quarter
1st Quarter FYE12/08	Yen —
1st Quarter FYE 12/07	Yen —

3. FYE December 2008 Operating Results Projections (from January 1, 2008 to December 31, 2008)
 (% displayed are year-on-year comparisons)

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Millions Yen	%	Millions Yen	%	Millions Yen	%	Millions Yen	%	Yen
Fiscal Year	26,100	15.0	8,000	5.8	8,000	5.6	4,500	7.9	18,514 .71

4. Other

- (1) Quarterly Financial Statement Preparation Standards : Interim Financial Statement
- (2) Changes in Accounting Procedures in the Past Fiscal : N/A
- (3) Participation of Financial Statement Auditors : N/A

※ Information related to Operating Results Projections and Other Matters

The operating results projections above are based on the information available at the time. Actual results may differ from projections due to unforeseen circumstances. Please refer to P.4 for more information related to operating results projections.

[Qualitative Financial Statement Information]

1. Qualitative Information regarding Operating Performance

During the first quarter of the current fiscal year (January 1, 2008 to March 31, 2008), the economy of Japan entered period of perceived deceleration, affected by global financial concerns (stemming from the U.S. subprime loan crisis) and soaring crude oil prices.

While the domestic effective opening-to-applicant ratio remained the 1.0 level, mass retirements by the baby-boomer generation combined with a declining birthrate to create a structural workforce shortage in Japan, resulting in a continued strong corporate push to hire young workers.

The recruitment advertising market has almost completely transitioned in major metropolitan areas from paper media to the Internet, and the market has already entered a period of maturity.

Given this environment, continued promotional activities for [en] Career Change Info have led to increased numbers of registered users. At the same time, the Company endeavored to provide high-quality employment information services designed to offer the best match between employee and employer, maintain a high recruitment effectiveness, and as a result, the Company has been able to expand market share. Both [en] Career Change Consultant and [en] Temporary Placement Info have continued to maintain tremendous recruitment effectiveness, steadily building revenues as the services have been positively viewed by employment agencies and temporary staffing agencies for a high cost-benefit ratio.

As a result, Company-wide total Net Sales grew to ¥5,557 million (8.2% year-on-year increase), Operating Income increased to ¥1,782 million (9.5% year-on-year increase), Ordinary Income reached ¥1,763 million (7.9% year-on-year increase), and Net Income for the quarter was ¥998 million (10.0% year-on-year increase).

A year-on-year comparison of quarterly sales by segment is presented below:

Segment \ Period	1st Quarter FYE 12/07			1st Quarter FYE12/08		
	Net Sales (¥1,000)	Ratio (%)	YY Change (%)	Net Sales (¥1,000)	Ratio (%)	YY Change (%)
Mid-Career Hiring Business						
[en] Career Change Info	2,964,074	57.7	52.6	3,045,796	54.8	2.8
[en] Career Change Consultant	463,370	9.0	34.4	582,943	10.5	25.8
[en] Temporary Placement Info	743,472	14.5	28.7	886,639	16.0	19.3
[en] Part-Time Jobs	272,290	5.3	60.5	294,524	5.3	8.2
Other	45,029	0.9	8.6	29,648	0.5	-34.2
New-Graduate Hiring Business						
[en] Job Info for Students	427,536	8.3	34.2	608,228	10.9	42.3
Other	177,500	3.5	23.9	51,176	0.9	-71.2
Education/Evaluation Business, Other	42,086	0.8	15.7	58,616	1.1	39.3
Total	5,135,359	100.0	43.7	5,557,573	100.0	8.2

(Note)

1. Values do not include consumption taxes.
2. "Other" under Mid-Career Hiring Business and New-Graduate Hiring Business represents competency testing
3. In the past, outsourcing services has been classified under "Other" for the Mid-Career Hiring Business and New-Graduate Hiring Business. Due to the strong relationship with the respective websites, beginning this period, these services will be classified and presented under their respective websites. Outsourcing services Net Sales included for presentation under the respective websites this period were ¥18,321 thousand under the Mid-Career Hiring Business and ¥106,614 thousand under the New-Graduate Hiring Business.

2. Qualitative Information related to Financial Position

Assets, Liabilities and Net Assets

Total Assets as of the end of the 1st Quarter FY12/08 decreased by ¥3,226 million compared to the last day of the prior fiscal year to ¥15,155 million. This decrease was mainly due to a decrease in Cash and Deposits, and a decrease in Long-Term Deposits. Total liabilities were ¥3,472 million, a decrease of ¥1,687 million compared to the last day of the prior fiscal year. This decrease was mainly due to a decrease in Accrued Income Tax. Net Assets decreased by ¥1,538 million compared to the end of the prior fiscal year at ¥11,682 million.

Cash Flow Condition

(Cash Flows from Operating Activities)

Cash used for operating activities amounted to ¥274 million. While the Company experienced an increase in cash from recording Quarterly Net Income before Taxes of ¥1,754 million, the company paid ¥2,039 million in Income Tax.

(Cash Flows from Investing Activities)

Cash generated from investing activities amounted to ¥83 million. The Company received ¥228 million from the repayment of fixed-term deposits, and paid ¥129 million for the acquisition of fixed assets.

(Cash Flows from Financing Activities)

Cash used for financing activities amounted to ¥2,455 million. This consisted mainly of ¥1,553 for the acquisition of treasury stock, and ¥915 for dividend payments.

3. Qualitative Information related to Operating Results Projections

Changes in the competitive environment and corporate business confidence lead the Company to expect a difficult business environment in the future. The progress of the Company's operating results has matched plan, and there are no changes in the operating results projections announced on February 14, 2008.

Projected EPS for the FYE December 2008 has been calculated according to outstanding shares (not considering diluted shares) as of the 1st Quarter FY12/08.

4. Other

Adoption of Simplified Accounting Method

The Company uses estimated effective tax rates to record tax expenses.

(Summary) Quarterly Financial Statements

(1) (Summary) Quarterly Balance Sheet

Category \ Period	1st Quarter FY12/07 (as of March 31, 2007)		1st Quarter FY12/08 (as of March 31, 2008)		FY12/07 (as of December 31, 2007)		Change vs. Prior FYE
	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)
(Assets)							
I Current Assets							
1 Cash and Deposits	4,902,311		5,326,757		8,003,825		
2 Notes Receivable	10,703		13,391		13,044		
3 Accounts Receivable	2,245,303		2,411,591		2,639,824		
4 Inventory	17,336		9,576		13,176		
5 Prepaid Expenses	256,849		277,204		246,081		
6 Other	265,284		309,467		430,728		
Allowance for Bad Debt	-31,646		-20,392		-21,849		
Total Current Assets	7,666,142	58.2	8,327,597	54.9	11,324,829	61.6	-2,997,232
II Fixed Assets							
1 Tangible Fixed Assets							
(1) Buildings	124,965		162,331		146,307		
(2) Structures, Facilities	77,027		6,006		—		
(3) Furniture and	547,826		477,273		505,003		
(4) Construction in	95,427		16,774		11,287		
Total Tangible Fixed	845,246	6.4	662,385	4.4	662,598	3.6	-213
2 Intangible Fixed Assets							
(1) Trademarks	4,657		5,629		5,831		
(2) Software	612,995		988,054		964,816		
(3) Software in Progress	249,076		109,910		115,736		
(4) Telephone Subscription	1,351		1,351		1,351		
Total Intangible Fixed	868,080	6.6	1,104,945	7.3	1,087,735	5.9	17,209
3 Investments and Other							
(1) Investment Securities	494,806		740,887		730,885		
(2) Securities in Affiliates	571,594		571,594		571,594		
(3) Long-Term Prepaid	174,548		109,866		131,764		
(4) Long-Term Deposits	1,386,100		2,350,000		2,578,300		
(5) Insurance Reserve	422,771		431,438		430,332		
(6) Lease Deposits	655,466		674,814		672,996		
(7) Other	95,714		207,033		215,706		
Allowance for Bad Debt	—		-25,209		-24,678		
Total Investments and	3,801,002	28.8	5,060,424	33.4	5,306,901	28.9	-246,476
Total Fixed Assets	5,514,329	41.8	6,827,755	45.1	7,057,235	38.4	-229,480
Total Assets	13,180,472	100.0	15,155,352	100.0	18,382,065	100.0	-3,226,712

<div> <div>Period</div> <div>Category</div> </div>	1st Quarter FY12/07 (as of March 31, 2007)		1st Quarter FY12/08 (as of March 31, 2008)		FY12/07 (as of December 31, 2007)		Change vs. Prior FYE
	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)
(Liabilities)							
I Current Liabilities							
1 Accounts Payable	60,840		38,468		72,564		
2 Accrued Payables	1,552,359		1,473,988		1,484,451		
3 Accrued Expenses	188,193		128,255		215,929		
4 Accrued Income Tax	648,205		633,165		2,086,839		
5 Accrued Consumption Tax	126,576		154,471		232,919		
6 Advances Received	380,681		549,455		577,837		
7 Bonus Reserve	289,481		381,358		345,539		
8 Officer Bonus Reserve	—		—		6,300		
9 Other	150,747		113,645		138,249		
Total Current Liabilities	3,397,084	25.8	3,472,808	22.9	5,160,631	28.1	-1,687,822
Total Liabilities	3,397,084	25.8	3,472,808	22.9	5,160,631	28.1	-1,687,822
(Net Assets)							
I Shareholders' Equity							
1 Capital	849,525	6.4	939,382	6.2	932,780	5.1	6,601
2 Capital Surplus							
(1) Capital Reserves	1,316,094		1,405,950		1,399,348		6,601
Total Capital Surplus	1,316,094	10.0	1,405,950	9.3	1,399,348	7.6	6,601
3 Retained Earnings							
(1) Other Retained							
Contingent Reserves	2,000,000		2,000,000		2,000,000		
Unappropriated Retained	5,617,459		8,880,738		8,878,759		
Total Retained Earnings	7,617,459	57.8	10,880,738	71.8	10,878,759	59.2	1,979
4 Treasury Stock	—	—	-1,553,757	-10.3	—	—	-1,553,757
Total Shareholders' Equity	9,783,080	74.2	11,672,315	77.0	13,210,889	71.9	-1,538,574
II Valuation and Translation							
1 Unrealized Gain/Loss on	306	0.0	10,229	0.1	10,545	0.0	-315
Total Valuation and Translation	306	0.0	10,229	0.1	10,545	0.0	-315
Total Net Assets	9,783,387	74.2	11,682,544	77.1	13,221,434	71.9	-1,538,890
Total Liabilities and Net Assets	13,180,472	100.0	15,155,352	100.0	18,382,065	100.0	-3,226,712

(2) (Summary) Quarterly Income Statement

Category \ Period	1 st Quarter FY12/07 (from January 1, 2007 to March 31, 2007`)		1 st Quarter FY12/08 (from January 1, 2008 to March 31, 2008)		YY Change	Prior FYE (January 1, 2007 to December 31, 2007)	
	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)	Ratio (%)	Amount (¥1,000)	Amount (¥1,000)	Ratio (%)
I Sales	5,135,359	100.0	5,557,573	100.0	422,214	22,686,137	100.0
II Cost of Sales	446,191	8.7	557,123	10.0	110,931	2,033,507	9.0
Gross Income	4,689,168	91.3	5,000,450	90.0	311,282	20,652,629	91.0
III Sales, General and	3,061,236	59.6	3,217,455	57.9	156,219	13,088,112	57.7
Operating Income	1,627,932	31.7	1,782,995	32.1	155,062	7,564,516	33.3
IV Non-Operating Income	10,203	0.2	16,410	0.3	6,207	41,422	0.2
V Non-Operating Expense	3,886	0.1	35,433	0.7	31,547	32,865	0.1
Ordinary Income	1,634,249	31.8	1,763,972	31.7	129,722	7,573,073	33.4
VI Extraordinary Income	—	—	—	—	—	6	0.0
VII Extraordinary Loss	4,026	0.1	9,660	0.1	5,634	245,864	1.1
Net Income before Taxes	1,630,223	31.7	1,754,311	31.6	124,087	7,327,216	32.3
Tax Expenses	722,832	14.0	756,212	13.6	33,380	3,158,525	13.9
Net Income	907,391	17.7	998,098	18.0	90,707	4,168,691	18.4

(3) (Summary) Statement of Changes in Shareholders' Equity

1st Quarter FY12/08 (from January 1, 2008 to March 31, 2008)

(Units: ¥1,000)

	Shareholders' Equity						
	Capital	Capital Surplus		Retained Earnings			Treasury Stock
		Capital Reserves	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings	
				Contingent Reserves	Uappropriate d Retained Earnings		
Balance as of December 31, 2007	932,780	1,399,348	1,399,348	2,000,000	8,878,759	10,878,759	—
Changes during First Quarter							
New Share Issuance	6,601	6,601	6,601	—	—	—	—
Dividend Payments	—	—	—	—	-996,119	-996,119	—
Net Income	—	—	—	—	998,098	998,098	—
Treasury Stock Acquisition	—	—	—	—	—	—	-1,553,757
Net Changes other than Shareholders' Equity	—	—	—	—	—	—	—
Total Changes during First Quarter	6,601	6,601	6,601		1,979	1,979	-1,553,757
Balance as of March 31, 2008	939,382	1,405,950	1,405,950	2,000,000	8,880,738	10,880,738	-1,553,757

	Shareholders' Equity	Valuation and Translation Adjustments		Total Net Assets
	Total Shareholders' Equity	Unrealized Gain/Loss on Available-for-Sale Securities	Total Valuation and Translation Gains/ Losses	
Balance as of December 31, 2007	13,210,889	10,545	10,545	13,221,434
Changes during First Quarter				
New Share Issuance	13,203	—	—	13,203
Dividend Payments	-996,119	—	—	-996,119
Net Income	998,098	—	—	998,098
Treasury Stock Acquisition	-1,553,757	—	—	-1,553,757
Net Changes other than Shareholders' Equity	—	-315	-315	-315
Total Changes during First Quarter	-1,538,574	-315	-315	-1,538,890
Balance as of March 31, 2008	11,672,315	10,229	10,229	11,682,544

(Note) A Statement of Changes in Shareholders' Equity was not prepared during the first quarter of FYE 12/07; accordingly, no schedules from the prior year are presented here.

Prior Fiscal Year (from January 1, 2007 to December 31, 2007)

(Units: ¥1,000)

	Shareholders' Equity						
	Capital	Capital Surplus		Retained Earnings			Total Shareholders' Equity
		Capital Reserves	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings	
				Contingent Reserves	Unappropriated Retained Earnings		
Balance as of December 31, 2006	841,221	1,307,790	1,307,790	2,000,000	5,459,685	7,459,685	9,608,697
Changes during the Fiscal Year							
New Share Issuance	91,559	91,558	91,558	—	—	—	183,117
Dividend Payments	—	—	—	—	-749,617	-749,617	-749,617
Net Income	—	—	—	—	4,168,691	4,168,691	4,168,691
Net Changes other than Shareholders' Equity	—	—	—	—	—	—	—
Total Changes during the Fiscal Year	91,559	91,558	91,558	—	3,419,074	3,419,074	3,602,191
Balance as of December 31, 2007	932,780	1,399,348	1,399,348	2,000,000	8,878,759	10,878,759	13,210,889

	Valuation and Translation Adjustments		Total Net Assets
	Unrealized Gain/Loss on Available-for-Sale Securities	Total Valuation and Translation Gains/ Losses	
Balance as of December 31, 2006	2,393	2,393	9,611,090
Changes during the Fiscal Year			
New Share Issuance	—	—	183,117
Dividend Payments	—	—	-749,617
Net Income	—	—	4,168,691
Net Changes other than Shareholders' Equity	8,152	8,152	8,152
Total Changes during the Fiscal Year	8,152	8,152	3,610,344
Balance as of December 31, 2007	10,545	10,545	13,221,434

(4) (Summary) Quarterly Statement of Cash Flows

	1 st Quarter FY12/08 (from January 1, 2008 to March 31, 2008)	Prior Fiscal Year (from January 1, 2007 to December 31, 2007)
Category	Amount (¥1,000)	Amount (¥1,000)
I Cash Flows from Operating Activities		
Net Income before Taxes	1,754,311	7,327,216
Depreciation	191,182	653,802
Loss on Impairment of Fixed Assets	—	99,959
Change in Allowance for Bad Debt (- = decrease)	-925	12,755
Change in Bonus Reserve (- = decrease)	35,818	197,547
Change in Officer Bonus Reserve (- = decrease)	-6,300	-2,500
Interest Received	-14,061	-27,916
Foreign Exchange Gain/ Loss (- = gain)	30,138	10,527
Investment Partnership Gain/ Loss (- = gain)	2,465	13,831
Loss on Valuation of Investment Securities	—	49,999
Gain on Sale of Fixed Assets	—	-6
Loss on Sale of Fixed Assets	—	17,117
Loss on Disposal of Fixed Assets	855	50,105
Change in Receivables (- = increase)	227,885	-360,223
Change in Payables (- = decrease)	-34,095	-7,415
Change in Accrued Payables (- = decrease)	-171,477	141,705
Change in Other Current Assets (- = increase)	-38,375	-7,758
Change in Other Current Liabilities (- = decrease)	-245,153	207,596
Other Changes in Fixed Assets (- = increase)	21,366	38,596
Subtotal	1,753,634	8,414,939
Interest and Dividends Received	11,464	22,718
Income Taxes Paid	-2,039,942	-3,143,891
Cash Flows from Operating Activities	-274,843	5,293,767
II Cash Flows from Investing Activities		
Payments for Purchase of Time Deposits	—	-1,200,000
Proceeds from the Maturity of Time Deposits	228,300	—
Payment for Purchases of Investment Securities	-30,000	-469,950
Proceeds from Sales of Investment Securities	17,000	29,000
Payments for Purchases of Tangible Fixed Assets	-32,583	-362,879
Proceeds from Sales of Tangible Fixed Assets	—	15,300
Payments for Purchases of Intangible Fixed Assets	-96,501	-833,617
Payments for Lease Deposits	-1,829	-90,819
Proceeds from Return of Lease Deposits	11	22,201
Payments for Insurance Reserve Fund	-1,105	-8,666
Proceeds from Insurance Reserve Fund Cancellation	—	424
Payments for Loans	—	-1,020
Proceeds from Recovered Loans	230	978
Cash Flows from Investing Activities	83,522	-2,899,046
III Cash Flows from Financing Activities		
Proceeds from Share Issuance	13,203	183,117
Payments for Treasury Stock Acquisition	-1,553,757	—
Payments for Dividends	-915,055	-747,178
Cash Flows from Financing Activities	-2,455,608	-564,060
IV Translation Gains/ Losses related to Cash and Cash	-30,138	-607
V Increase in Cash and Cash Equivalents	-2,677,067	1,830,052
VI Cash and Cash Equivalents, Beginning of Period	8,003,825	6,173,772
VII Cash and Cash Equivalents, End of Quarter	5,326,757	8,003,825

(Note) A Statement of Cash Flows was not prepared during the first quarter of FYE 12/07; accordingly, no schedules from the prior year are presented here.