



En-Japan Inc.

Fiscal Year Ended December 31, 2008 Earnings Announcement (Non-Consolidated)

February 12, 2009

Company Name en-japan inc. Listing Exchange Osaka Securities Exchange (Hercules Market)

Stock Code 4849 URL <http://corp.en-japan.com/>

Representative (Title) President (Name) Takatsugu Suzuki

Contact (Title) Managing Director, Administrative Office (Name) Shinichi Yamazaki Telephone +81-3-3342-4506

Regular General Shareholders' Meeting March 27, 2009 Scheduled Dividend Payout Date March 30, 2009

Scheduled Date to Submit March 30, 2009

Securities Report

(Figures are rounded down to the nearest million yen)

1. FYE 12/08 Earnings (January 1, 2008 to December 31, 2008)

(1) Operating Results

(Percentages indicate percent change from the prior fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FYE 12/08	21,329	Δ6.0	5,943	Δ21.4	5,906	Δ22.0	3,090	Δ25.9
FYE 12/07	22,686	34.1	7,564	34.9	7,573	35.1	4,168	34.2

	EPS		Fully Diluted EPS		ROE	Ordinary Income to Total Assets	Operating Income to Sales
	yen		yen		%	%	%
FYE 12/08	12,977	66	12,557	08	22.9	33.6	27.9
FYE 12/07	17,209	57	16,744	56	36.5	46.6	33.3

(Reference) Earnings from investments in companies subject to equity method accounting FYE 12/08 —Million yen FYE 12/07 —Million yen

(2) Financial Position

	Total Assets	Net Assets	Net Asset Ratio	Net Assets per Share
	Million yen	Million yen	%	yen
FYE 12/08	16,769	13,812	82.4	57,954 36
FYE 12/07	18,382	13,221	71.9	54,419 05

(Reference) Net Assets FYE 12/08 13,812 Million yen FYE 12/07 13,221 Million yen

(3) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	Million yen	Million yen	Million yen	Million yen
FYE 12/08	2,936	Δ788	Δ2,483	7,657
FYE 12/07	5,293	Δ2,899	Δ564	8,003

2. Dividends

(Date of Record)	Dividend per Share					Total Divided (Full Year)	Dividend Payout Ratio	Dividend to Net Asset Ratio
	First Quarter	Interim Period	Third Quarter	Year End	Full-Year Total			
	yen	yen	yen	yen	yen	Million yen	%	%
FYE 12/07	—	—	—	4,100 00	4,100 00	996	23.8	8.7
FYE 12/08	—	—	—	4,100 00	4,100 00	977	32.4	7.4
FYE 12/09 (projected)				1,300 00	1,300 00	309	29.2	2.3

3. FYE 12/09 Earnings Projections (January 1, 2009 to December 31, 2009)

(Percentages indicate percent change from prior fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen	
Cumulative Second Quarter	6,556	Δ39.3	Δ45	—	Δ45	—	Δ24	—	Δ100	35
Full Year	14,800	Δ30.6	2,000	Δ66.3	2,000	Δ66.1	1,060	Δ65.7	4,447	47

4. Other

(1) Changes in Accounting Methods

- (a) Changes in Accounting Methods No
 (b) Changes other than above No

(2) Number of Shares Issued (Common Stock)

- (a) Shares outstanding at fiscal year end
 (including treasury stock) FYE 12/07 242,956 shares FYE 12/08 245,338 shares
 (b) Treasury stock at fiscal year end FYE 12/07 — shares FYE 12/08 7,000 shares

(Note) See Page 31 “Per-Share Information” for the number of shares used as the basis for calculating Net Income per Share.

* Explanation concerning appropriate use of projected earnings and other matters

The earnings projections above have been prepared based on data judged to be reasonable at this time. Actual earnings may differ from projections depending on various elements of uncertainty that may occur in the future.

1 Business Performance

(1) Analysis of Business Performance

Business Performance for the Current Fiscal Year

During the current fiscal year, the economy of Japan, as well as Japanese corporations individually, began to experience the effects of the global business deceleration, brought about by the erratic fluctuations in resource costs, the global economic crisis rising out of the U.S. sub-prime loan problems, and the associated rapid increase in the valuation of the yen. Many companies have reduced their full-time and part-time workforces and rescinded job offers to new college graduates, making for a very difficult employment situation in Japan.

Given this environment, en-japan inc. ("the Company") built up our product lineup to respond to customer needs, while at the same time fleshed out services for our website users, successfully capturing an expanded share of the market. However, due to the effects of the drop-off in corporate hiring plans, Net Sales for the Company amounted to ¥21,329 million (a 6.0% year-on-year decrease), with Operating Income of ¥5,943 million (21.4% year-on-year decrease), Ordinary Income of ¥5,906 million (22.0% year-on-year decrease), and Net Income of ¥3,090 million (25.9% year-on-year decrease).

Earnings by segment are as follows:

Summary of Net Sales by Major Products

<Mid-Career Hiring Business>

In a market where corporations have indicated the intent to reduce hiring of mid-career professionals, [en] Career Change Info has been busily engaged in developing products to meet the needs of our customers, as well as building in greater cost-benefit to all of our offerings. Despite these efforts, reduced levels of advertising placements resulted in Net Sales of ¥10,558 million (17.1% year-on-year decrease).

Despite the effects of the reduced number of corporate ad placements during the second half of the year, [en] Career Change Consultant successfully promoted optional products and services, reaching Net Sales of ¥2,248 million (10.1% year-on-year increase).

As with [en] Career Change Consultant, [en] Temporary Placement Info was able to counter the deceleration in temporary worker employment during the second half of the year, winning new customers and expanding sales to existing customers, and achieving Net Sales of ¥3,568 million (12.2% year-on-year increase).

With the market-wide fall-off in help wanted ads for full-time employees, Net Sales of the [en] Part-Time Jobs part-time information site leading to full-time employee recruitment struggled. However, the website dedicated to information for part-time-only jobs (started during the current fiscal year) enjoyed favorable sales to companies in industries with needs for purely part-time workers. As a result, Net Sales amounted to ¥1,165 million (5.4% year-on-year increase).

<New Graduate Hiring Business>

As a result of steady efforts in promotions targeting colleges and graduate schools, [en] Job Info for Students 2010 (employment search information site for students graduating in March 2010) was able to launch in October 2008 with 314,000 registered members (50.9% year-on-year increase) at grand opening. The Company also worked hard to offset intensifying competition in the segment, selling products matched to customer needs, and resulting in Net Sales of ¥3,328 million (20.9% year-on-year increase) for the [en] Job Info for Students segment.

<Education/Evaluation Business>

Understanding the increasing need among corporations to educate and train their employees—whether new graduates or mid-career hires—the Company implemented aggressive sales activities in this segment, reaching Net Sales of ¥204 million (9.5% year-on-year increase).

Earnings Comparison
Detail of Net Sales

Category	8th Business Period (January 1, 2007 to December 31, 2007)		9th Business Period (January 1, 2008 to December 31, 2008)	
	Net Sales	Ratio	Net Sales	Ratio
	(thousands yen)	(%)	(thousands yen)	(%)
Mid-Career Hiring Business				
[en] Career Change Info	12,737,547	56.2	10,558,677	49.5
[en] Career Change Consultant	2,042,680	9.0	2,248,586	10.5
[en] Temporary Placement Info	3,181,038	14.0	3,568,670	16.7
[en] Part-Time Jobs	1,105,809	4.9	1,165,015	5.5
Other	177,330	0.8	89,733	0.4
New Graduate Hiring Business				
[en] Job Info for Students	2,751,771	12.1	3,328,144	15.6
Other	503,090	2.2	119,859	0.6
Education/Evaluation Business				
Education/Evaluation Business	186,869	0.8	204,600	1.0
Other	0	0.0	46,156	0.2
Total	22,686,137	100.0	21,329,443	100.0

- (Note) 1. Figures do not include consumption taxes
2. “Other” under Mid-Career Hiring Business and New Graduate Hiring Business represents competency testing, etc.
3. In the past, outsourcing services had been classified under “Other” for the Mid-Career Hiring Business and the New-Graduate Hiring Business. Due to the strong relationship with the respective website products, these services have been classified and presented under the respective websites beginning this fiscal period.
For the current fiscal period, sales of outsourcing services included in respective website products for presentation amounted to ¥70,267 thousand under the Mid-Career Hiring Business and ¥342,871 thousand under the New-Graduate Hiring Business.

Outlook for the Next Fiscal Year

The economy of Japan is expected to experience a further downturn due to the effects of the global recession. Stagnation of corporate earnings will clearly result in the further deterioration of the employment situation in Japan, leading to decreased demand for recruitment advertising placements. The business environment surrounding the Company will continue to be unpredictable.

Given these conditions, the Company has focused on attracting new customers by building out a solid product lineup to meet customer needs, while at the same time providing detailed services and actively making proposals to our existing customer base.

Based on the preceding, the Company projects Net Sales of ¥14,800 million, Operating Income of ¥2,000 million, Ordinary Income of ¥2,000 million, and Net Income of ¥1,060 million for the upcoming fiscal year.

(2) Analysis of Financial Position

(a) Assets, Liabilities and Net Assets

<Current Assets>

The balance of Current Assets as of the fiscal year end was ¥11,237 million (¥87 million year-on-year decrease). While Cash and Cash Equivalents increased by ¥653 million, and Prepaid Expenses increased by ¥48 million, Accounts Receivable decreased by ¥623 million, and Deferred Tax Assets also decreased by ¥284 million.

<Fixed Assets>

The balance of Fixed Assets as of the fiscal year end was ¥5,532 million (¥1,524 million year-on-year decrease). Deferred Tax Assets increased by ¥248 million; however, Stock in Affiliates experienced a decrease of ¥541 million, while Long-Term Deposits decreased by ¥1,228 million.

<Current Liabilities>

The balance of Current Liabilities as of the fiscal year end was ¥2,956 million (¥2,203 million year-on-year decrease). Corporate Taxes Payable decreased by ¥1,423 million, Payments Due decreased by ¥469 million, Advances Received decreased by ¥126 million, Reserve for Bonuses decreased by ¥110 million, and Consumption Taxes Payable decreased by ¥108 million.

<Net Assets>

Net Assets as of the fiscal year end amounted to ¥13,812 million (¥591 million year-on-year increase). Paid-In Capital increased by ¥32 million, Capital Surplus increased by ¥32 million, Retained Earnings increased by ¥2,094 million, and the Company engaged in Treasury Stock Purchases amounting to ¥1,553 million.

(b) Cash Flows

During the fiscal year, Cash and Cash Equivalents experienced a ¥346 million year-on-year decrease, amounting to ¥7,657 million as of the fiscal year end.

<Cash Flows from Operating Activities>

Cash provided by operating activities amounted to ¥2,936 million, mainly affected by Income before Taxes and Adjustments of ¥5,336 million, Depreciation Expense of ¥794 million, a decrease in Notes Receivable of ¥621 million, a decrease in Reserve for Bonuses of ¥110 million, and payments of Corporate Taxes in the amount of ¥3,733 million.

<Cash Flows from Investing Activities>

Cash used in investing activities totaled ¥788 million, mainly due to cash from redemption of time deposits of ¥228 million, offset by Cash used for Purchase of Tangible Fixed Assets of ¥323 million, In Cash used for Purchase of Intangible Fixed Assets of ¥620 million, Cash used for Purchase of Stock in Affiliates of ¥30 million, and Cash paid in Deposit Guarantees of ¥39 million.

<Cash Flows from Financing Activities>

Cash used for financing activities amounted to ¥2,483 million, mainly due to cash from the issuance of new shares in the amount of ¥64 million, Treasury Stock Purchases of ¥1,553 million, and Dividend Payments of ¥994 million.

(Reference) Cash Flow Indicators

	FYE 12/04	FYE 12/05	FYE 12/06	FYE 12/07	FYE 12/08
Equity Ratio (%)	72.4	70.2	68.0	71.9	82.4
Equity ratio based on market capitalization (%)	1,115.5	1,841.8	977.2	421.6	86.2

(Notes)1. Each indicator is calculated using financial values and the following formulas:

- a) Equity Ratio: Shareholders' equity/Total Assets
- b) Equity ratio based on market capitalization: (Closing share price at FYE x Shares outstanding at FYE)/Total Assets
2. en-japan does not calculate debt redemption period or interest coverage ratio due to the fact that the Company has no interest-bearing debt.

(3) Basic Policy concerning Distribution of Earnings and Current-/Future-Period Dividends

The Company utilizes retained earnings for future growth and to maximize corporate value. Our basic policy is to return profits to our shareholders as appropriate, conducting dividend payouts targeting 30%, depending on fiscal period earnings.

Based on this policy, the Company plans a dividend payment of ¥4,100 for the current fiscal year.

The Company expects that business conditions will continue to be difficult, and that earnings for the next fiscal year will underperform the current fiscal year. Accordingly, the Company projects a dividend payment of ¥1,300 for the next fiscal year.

(4) Business Risks

Details of the major risk factors recognized by the Company as part of its business are provided below. The Company believes in actively disclosing information to investors and shareholders that may not be considered business risks, but which the Company believes is important for making investing decisions or understanding the Company's business. Having identified the potential of these risks, the Company endeavors to either prevent the occurrence or respond in the event of occurrence; however, the Company believes that decisions related to management or future business operations should be made only after carefully considering the matters presented below. The matters presented below do not necessarily represent all risk related to investment in en-japan inc. stock.

(a) Management Risks

(i) The Business Environment

Our core business is the employment support business, including our [en] Career Change Info and [en] Job Info for Students properties. Accordingly, any changes in hiring trends associated with changes in business or other external environmental factors and fluctuations in employment supply and changes in demand due to the aging of Japan's workforce demographic may potentially have a negative impact on our business activities and earnings.

(ii) Expansion of Business Lines

The Company plans to extend the [en] brand, developing new products and services, including broader service and content offerings for our users and clients. In addition, the Company plans to diversify earnings fluctuation risks by exploring and developing new lines of business, strengthening our operating base.

There is the potential that new business lines may not, due to their nature, develop according to plan because of unanticipated circumstances, and such may have a negative effect on Company earnings.

The Company plans to continue investigating and executing corporate acquisitions and capital alliances for the expansion of existing businesses and the development of new business lines. However, such transactions may have a negative effect on Company earnings if related businesses do not develop according to plan.

(iii) Share Price Dilution due to Stock Option Grants

The Company has adopted a stock-based compensation system. Future exercises of stock options may dilute share prices.

(iv) Human Capital

We believe that a strong sales structure and technological development are vital factors in building a solid corporate foundation from which to grow. Accordingly, the Company places high priority on the hiring and training of talented individuals. Company business activities and earnings may be negatively affected in the event that the Company cannot hire and train the necessary personnel required for expanding operations, or in the event that highly skilled and knowledgeable personnel leave the company.

(b) Business Risks

(i) Advertising and Promotion Activities

Enhancing recognition of the [en] brand in the market is vitally important to the growth of our business. The Company plans to actively engage in advertising and promotion activities, including the use of current media, to build our capacity to attract customers. However, it is impossible to accurately predict the effectiveness of these activities, and detailed plans have yet to be made. Expenses may increase significantly depending on the cost of advertising and promotions, which could have a negative effect on Company earnings.

(ii) Transactions with Customers in Specific Industries

The Company sells job placement advertisements across a broad range of industries and occupations. However, demand for employment advertisements is strongly linked to changes in the economic environment, and may result in a concentration of sales to a specific industry. The Company plans to continue a policy of selling advertisements across a wide range of industries and occupations; however, the business environment in a specific industry may have a negative effect on Company earnings.

(iii) Company Product Differentiation

Job information services can be broken into three segments: a.) traditional print media companies publishing employment classified magazines and newspapers; b.) on-line recruitment advertising companies utilizing the Internet; c.) recruitment consulting/temporary staffing companies. en-japan inc. is an on-line recruitment advertising company utilizing the Internet. Many companies compete in the on-line recruitment advertising space, with more companies continuing to enter the market, resulting in a highly competitive industry segment.

The Company views continued system improvements, user/client service improvements, and brand identity enhancement as means to differentiate ourselves from the competition. With respect to cost competition, there are other companies that sell services similar to ours at cheaper prices; however, we believe that by offering detailed services at a fair price is an important factor in establishing trust with the client.

Company earnings may be negatively affected in the event that differentiation efforts do not progress according to plan. Accordingly, the Company has chosen to disclose differentiation as a business risk.

(iv) New Technologies

Technological innovation proceeds at a dramatic pace in the Internet business segment; new technologies and services enter the market continuously. Our business is deeply intertwined with the Internet, and in order to continue to offer competitive services, we must be able to provide the latest technologies and services to our clients and users in a timely manner. To offer high-quality services, a system has been established for each planning group to take the lead in working with related business segments to develop new products and services. This allows the Company to take feedback from users and clients, reflecting this information in our system. Our personnel structure continues to expand; however, if the Company delays the introduction of new technologies and/or services due to an excess amount of time required to develop systems that are effective in enhancing our services, we may lose our competitive advantage within the industry.

(c) Legal and Regulatory Risks

(i) Intellectual Property Infringement

en-japan inc. owns numerous intellectual property rights, including trademarks related to services names and copyrights related to content. The Company is engaged in the appropriate protection, maintenance, and acquisition of intellectual property rights; however, disputes may occur with third parties related to such intellectual property, resulting in legal defense costs, etc., which may negatively affect our business and/or Company earnings.

(ii) Compliance with Laws and Statutes

In recognition of our social responsibilities as a growth company, we have been engaged in creating a stronger internal management control structure. However, such structures do not guarantee an elimination of all illegal activities. In the event that a Company employee is responsible for serious negligence, fraud, or other illegal act, the Company's financial position and/or earnings may be negatively affected by subsequent lawsuits and/or compensation for damages. In the event that an investigation by the Labor Standards Supervision Office results in administrative guidance, such may have a negative impact on the management of the Company, as well as on Company financial position and/or earnings.

(iii) Protection of Personal Information

As a company involved in the human resources business, en-japan recognizes the extreme importance of properly managing personal information during the course of our business activities to ensure the prevention of leakage, misuse or alteration. We have implemented aggressive measures to create a personal information protection management system. As a result, the Company received the Privacy Mark certification from the Japan Information Processing and Development Corporation on March 22, 2001. On June 15, 2007, the Company obtained the Privacy Mark certification endorsing the compliance of our personal information privacy management system under the JIS Q 15001:2006 standard.

To ensure information security, personal information is encrypted during transmission, and managed according to strict standards at a 24-hour data center equipped with robust and up-to-date security equipment. Moreover, the Company recognizes the legal ramifications resulting from any leakage of this information, or any other serious problems with data security regardless of underlying contractual obligations, and access to data stored on Company servers is strictly limited to certain employees. Even when the Company has not incurred legal obligations, issued connected with personal data management could potentially damage the Company's brand image, having a negative impact on the Company's business and/ or earnings.

(iv) Special Statutory Regulations

At present, the laws of Japan regulating usage of the Internet and related businesses are extremely limited in scope; calls have been made to resolve these insufficiencies. Accordingly, the Company's business may be restricted by future enactments of new regulations or laws regulating Internet usage, or by the clarification of the application of existing statutes to Internet usage.

Employment information services businesses are obligated to publicly announce accurate information, including "worker recruitment methods" and "working conditions" as defined by the Employment Security Law. en-japan's businesses are also subject to regulations that include provisions governing equal pay for men and women as set forth by the Labor Standards Law, the protection of minimum wages by region or industry under the Minimum Wage Law, and regulations regarding false or exaggerated representations as set for by the Consumer Protection Law. These various regulations could negatively affect the Company's business activities.

To build a relationship of trust with our users, the Company maintains strict compliance with these laws in the creation of recruitment advertisements, and fully informs clients of the purposes of these statutes. If, for some reason, Company systems do not function adequately to prevent a violation of these laws, such violation could have an adverse effect on the Company's business and relationship with service users.

en-japan inc. was certified as an employment agency under the Employment Security Law in November 2000. The Company's earnings could be negatively affected if the Company is unable to renew certification, or if certification is revoked.

(v) Major Natural Disasters, Accidents

en-japan's business relies on communications networks that connect computer systems. The Company may be unable to operate normally in the event that a natural disaster, power failure or communications problem interferes with network communications. Servers at the Company or our Internet Service Provider may not operate properly due to temporary access overloads; network problems may occur due to unauthorized access from outside the Company or employee error. Not only could such damages could inflict direct harm on the Company, but a server inoperability or defect could also result in damage to Company reputation, or in lawsuits and compensation for damages, potentially having a negative impact on the Company's business.

(vi) Lawsuits

On September 7, 2007 (complaint receipt date), en-japan was named in a lawsuit filed by DNP Facility Service Co., Ltd., demanding payment of sales proceeds for tickets and other items that DNP alleges it sold to en-japan (claim amount of ¥829,404,000 and delinquency charges).

The Company believes the suit is without merit, and intends to clarify its assertions in court. In the event that legal proceedings are not resolved according to Company assertions, potential expenses associated with compensation for damages may have a negative impact on Company earnings.

2 Current Conditions of the Corporate Group

The Company does not have any significant subsidiaries for which comment disclosure is required at this time.

3 Management Policies

(1) Basic Company Management Policy

en-japan inc. is engaged in the business of employment information services offered over the Internet. Since our inception, our focus has been on serving job seekers in every way possible, supported by our concern for “individuality” and “social justice.” This focus has allowed the Company to produce highly effective recruitment advertisements, and to establish a position as the pre-eminent company in the Internet recruitment advertising industry.

We will continue to engage in growing our business based on our identity as a company that supports “A Fulfilling Life through Work” and “Company Growth through the Employment and Capitalization of Human Assets.”

(2) Mid- and Long-Term Company Management Strategies

(a) Trends in the External Operating Environment

The global financial crisis rising from the sub-prime loan problem and the ensuing economic recession have resulted in corporate hiring reductions. With an uncertain future in the business environment and a fall-off in corporate earnings, the contract terminations for term employees and the cancellation of job offers to new graduates are only a few factors that may contribute to a worsening in the employment environment, at least over the short term.

However, the labor force available in Japan continues to decline, and labor shortages should once again become apparent when the economy begins to recover.

(b) Mid- to Long-Term Management Strategy

en-japan inc. is engaged in the employment services business, and as such is susceptible to changes in economy. We recognize that the development of new businesses is essential to limiting risks associated with earnings fluctuations, as well as to accelerate corporate growth. Our aim is to be the Company that is trusted most by all working people, which means we must aggressively pursue and develop new businesses.

In advance of an economic recovery in which corporate hiring will increase, we will strengthen our current employment-related services for existing customers and add to our product lineup in order to capture new customers, reinforcing the foundations of our business.

(3) Other Issues to be addressed by the Company

One important issue pertaining to the growth of en-japan’s business is the ability to increase the number of advertisers on our websites without sacrificing the quality of the employment information provided. The Company produces accurate and detailed employment information from a third-party perspective by sending sales people directly to each individual client, conducting post-sale interviews with easy. Many of our competitors rely on their clients to product recruitment advertisements. We are proud of our position as No. 1 in the industry in terms of the quality of recruitment advertisements provided, but we must also remain competitive in terms of the number of advertisers on our sites. Accordingly, we plan to implement further employee training to increase our competitiveness in terms of both sales and content production.

4 Financial Statements

(1) Balance Sheets

		Prior Fiscal Year (as of December 31, 2007)		Current Fiscal Year (as of December 31, 2008)		Year-on-Year Comparison
Category	Notes	Amount (thousand yen)		Amount (thousand yen)		Change (thousand yen)
(Assets)						
I Current Assets						
1 Cash and Deposits			8,003,825		8,657,204	
2 Notes Receivable			13,044		14,537	
3 Accounts Receivable			2,639,824		2,016,797	
4 Inventory			13,176		11,133	
5 Prepaid Expense			246,081		295,050	
6 Deferred Tax Assets			407,713		245,776	
7 Other			23,014		45,228	
Reserve for Bad Debt			△21,849		△ 48,520	
Total Current Assets			11,324,829	61.6	11,237,207	67.0
II Fixed Assets						
1 Tangible Fixed Assets						
(1) Buildings		215,717		258,284		
Accumulated Depreciation		69,410	146,307	97,145	161,139	
(2) Structures		—		6,200		
Accumulated Depreciation		—	—	775	5,425	
(3) Equipment and Fixtures		1,219,707		1,299,830		
Accumulated Depreciation		714,703	505,003	923,048	376,782	
(4) Construction in Progress			11,287		212,513	
Total Tangible Fixed Assets			662,598	3.6	755,859	4.5
2 Intangible Fixed Assets						
(1) Trademarks			5,831		5,390	
(2) Software			964,816		940,044	
(3) Software under Development			115,736		142,795	
(4) Telephone Subscription Rights			1,351		1,351	
Total Intangible Fixed Assets			1,087,735	5.9	1,089,581	6.5
3 Investments and Other Assets						
(1) Investment Securities			730,885		625,575	
(2) Stock in Affiliates			571,594		30,000	
(3) Claims in Bankruptcy			24,678		38,765	
(4) Long-Term Prepaid Expense			131,764		48,123	
(5) Deferred Tax Assets			191,028		439,702	
(6) Long-Term Deposits			2,578,300		1,350,000	
(7) Insurance Reserve			430,332		438,999	
(8) Deposit Guarantees			672,996		712,598	
(9) Other			—		41,930	
Reserve for Bad Debt			△24,678		△ 38,765	
Total Investments and Other Assets			5,306,901	28.9	3,686,929	22.0
Total Fixed Assets			7,057,235	38.4	5,532,371	33.0
Total Assets			18,382,065	100.0	16,769,578	100.0

		Prior Fiscal Year (as of December 31, 2007)		Current Fiscal Year (as of December 31, 2008)		Year-on-Year Comparison	
Category	Notes	Amount (thousand yen)		Ratio (%)	Amount (thousand yen)	Ratio (%)	Change (thousand yen)
(Liabilities)							
I Current Liabilities							
1 Accounts Payable			72,564		131,022		
2 Payments Due			1,484,451		1,014,703		
3 Accrued Expense			215,929		185,749		
4 Corporate Taxes Payable			2,086,839		663,740		
5 Consumption Taxes Payable			232,919		124,229		
6 Advances Received			577,837		451,322		
7 Deposits			129,124		128,455		
8 Reserve for Bonuses			345,539		234,892		
9 Reserve for Director Bonuses			6,300		—		
10 Other			9,124		22,737		
Total Current Liabilities			5,160,631	28.1	2,956,853	17.6	Δ 2,203,777
Total Liabilities			5,160,631	28.1	2,956,853	17.6	Δ 2,203,777
(Net Assets)							
I Owners' Equity							
1 Paid-In Capital			932,780	5.1	965,246	5.8	32,465
2 Capital Surplus							
(1) Capital Legal Reserve		1,399,348			1,431,811		
Total Capital Surplus			1,399,348	7.6	1,431,811	8.5	32,463
3 Retained Earnings							
(1) Other Retained Earnings							
General Reserve		2,000,000			2,000,000		
Retained Earnings brought Forward		8,878,759			10,973,491		
Total Retained Earnings			10,878,759	59.2	12,973,491	77.4	2,094,731
4 Treasury Stock			—		Δ1,553,757	Δ9.3	Δ1,553,757
Total Owners' Equity			13,210,889	71.9	13,816,792	82.4	605,902
II Valuation and Translation Adjustments							
1 Valuation Differences on Other Investment Securities			10,545	0.0	Δ4,066	0.0	Δ14,612
Total Valuation and Translation Adjustments			10,545	0.0	Δ4,066	0.0	Δ14,612
Total Net Assets			13,221,434	71.9	13,812,725	82.4	591,290
Total Liabilities and Net Assets			18,382,065	100.0	16,769,578	100.0	Δ 1,612,486

(2) Income Statements

		Prior Fiscal Year (January 1, 2007 to December 31, 2007)		Current Fiscal Year (January 1, 2008 to December 31, 2008)			Year-on-Year Comparison		
Category	Notes	Amount (thousand yen)		Component Ratio (%)	Amount (thousand yen)		Component Ratio (%)	Change (thousand yen)	
I Net Sales			22,686,137	100.0		21,329,443	100.0	Δ 1,356,693	
II Cost of Sales			2,033,507	9.0		2,230,907	10.5	197,399	
Gross Income			20,652,629	91.0		19,098,536	89.5	Δ 1,554,093	
III Sales, General and Administrative Expenses									
1 Advertising& Promotions Expense			6,062,752			5,586,559			
2 Executive Salaries			57,000			80,316			
3 Employee Salaries			2,904,748			3,283,736			
4 Bonuses			668,914			690,552			
5 Reserve for Bonuses			298,551			204,552			
6 Reserve for Director Bonuses			6,300			—			
7 Legal Fringe Benefits			443,187			524,736			
8 Commission Expense			308,241			393,066			
9 Rent			837,165			907,683			
10 Commissions on Payments			126,843			121,026			
11 Depreciation Expense			163,078			163,888			
12 Reserve for Bad Debt			19,514			50,908			
13 Other			1,191,815	13,088,112	57.7	1,148,238	13,155,265	61.7	67,152
Operating Income				7,564,516	33.3		5,943,271	27.8	Δ 1,621,245
IV Non-Operating Income									
1 Interest Received			27,916			36,307			
2 Commissions Received			2,255			1,151			
3 Miscellaneous Income			11,250	41,422	0.2	15,034	52,494	0.3	11,071
V Non-Operating Expenses									
1 Foreign Exchange Loss			10,527			14,324			
2 Loss on LLP Investment			13,831			53,689			
3 Contribution for Hiring of Elderly and Handicapped			7,800			8,750			
4 Miscellaneous Expense			707	32,865	0.1	12,719	89,483	0.4	56,617
Ordinary Income				7,573,073	33.4		5,906,282	27.7	Δ 1,666,791
VI Extraordinary Income									
1 Gain on Sale of Fixed Assets		6			—				
2 Gain on Transfer of Business		—	6	0.0	6,281	6,281	0.0	6,275	
VII Extraordinary Loss									
1 Loss on Sale of Fixed Assets	* 1	17,117			8				
2 Loss on Disposal of Fixed Assets	* 2	50,105			21,619				
3 Office Relocation Expense		16,727			6,838				
4 Costs related to Lawsuit		11,954			—				
5 Valuation Loss on Stock in Affiliates		—			527,154				
6 Valuation Loss on Investment Securities		49,999			19,979				
7 Impairment Loss	* 3	99,959	245,864	1.1	—	575,601	2.7	329,737	
Income before Taxes and Adjustments			7,327,216	32.3		5,336,961	25.0	Δ 1,990,254	
Corporate, Resident and Enterprise Taxes		3,366,205			2,322,818				
Corporate Tax Adjustment		Δ 207,680	3,158,525	13.9	Δ 76,708	2,246,110	10.5	Δ 912,414	
Net Income			4,168,691	18.4		3,090,851	14.5	Δ 1,077,840	

Detailed Statement of Cost of Sales

		Prior Fiscal Year (January 1, 2007 to December 31, 2007)			Current Fiscal Year (January 1, 2008 to December 31, 2008)			Year-on-Year Comparison
Category	Notes	Amount (thousand yen)		Component Ratio (%)	Amount (thousand yen)		Component Ratio (%)	Change (thousand yen)
I Content Production Expense			824,696	40.6		813,135	36.4	
II Website Operating Expense			913,462	44.9		1,151,292	51.6	
III Event Expense			274,909	13.5		247,404	11.1	
IV Other Expense			20,438	1.0		19,074	0.9	
Cost of Sales			2,033,507	100.0		2,230,907	100.0	197,399

- (Notes)
- 1 Content Production Expense includes outsourced production expense and internal production expense.
 - 2 Website Operating Expense includes depreciation for servers as well as website maintenance expenses.
 - 3 Event Expense includes the cost of special events held to support job seekers in their search for employment.

(3) Statement of Changes in Net Assets
Prior Fiscal Year (January 1, 2007 to December 31, 2007)

	Owners' Equity						
	Paid-In Capital	Capital Surplus		Retained Earnings			Total Owners' Equity
		Capital Legal Reserve	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings	
				General Reserve	Retained Earnings Brought Forward		
Balance, December 31 2006 (thousand yen)	841,221	1,307,790	1,307,790	2,000,000	5,459,685	7,459,685	9,608,697
Changes during the Fiscal Period							
New Share Issuance	91,559	91,558	91,558	—	—	—	183,117
Dividend Payments	—	—	—	—	Δ749,617	Δ749,617	Δ749,617
Net Income	—	—	—	—	4,168,691	4,168,691	4,168,691
Changes other than Owners' Equity during the Fiscal Period (Net)	—	—	—	—	—	—	—
Total Changes during the Fiscal Period (thousand yen)	91,559	91,558	91,558	—	3,419,074	3,419,074	3,602,191
Balance, December 31, 2007 (thousand yen)	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
	Valuation Gains on Other Marketable Securities	Total Valuation and Translation Gains	
Balance, December 31 2006 (thousand yen)	2,393	2,393	9,611,090
Changes during the Fiscal Period			
New Share Issuance	—	—	183,117
Dividend Payments	—	—	Δ749,617
Net Income	—	—	4,168,691
Changes other than Owners' Equity during the Fiscal Period (Net)	8,152	8,152	8,152
Total Changes during the Fiscal Period (thousand yen)	8,152	8,152	3,610,344
Balance, December 31, 2007 (thousand yen)	10,545	10,545	13,221,434

Current Fiscal Year (January 1, 2008 to December 31, 2008)

	Owners' Equity							
	Paid-In Capital	Capital Surplus		Retained Earnings			Treasury Stock	Total Owners' Equity
		Capital Legal Reserve	Total Capital Surplus	Other Retained Earnings		Total Retained Earnings		
				General Reserve	Retained Earnings brought Forward			
Balance, December 31, 2007	932,780	1,399,348	1,399,348	2,000,000	8,878,759	10,878,759	—	13,210,889
Changes during the Fiscal Period	—	—	—	—	—	—	—	—
New Share Issuance	32,465	32,463	32,463	—	—	—	—	64,928
Dividend Payments	—	—	—	—	Δ 996,119	Δ 996,119	—	Δ 996,119
Net Income	—	—	—	—	3,090,851	3,090,851	—	3,090,851
Treasury Stock Purchases	—	—	—	—	—	—	Δ 1,553,757	Δ 1,553,757
Changes other than Owners' Equity during the Fiscal Period (Net)	—	—	—	—	—	—	—	—
Total Changes during the Fiscal Period	32,465	32,463	32,463	—	2,094,731	2,094,731	Δ 1,553,757	605,902
Balance, December 31, 2008	965,246	1,431,811	1,431,811	2,000,000	10,973,491	12,973,491	Δ 1,553,757	13,816,792

	Valuation and Translation Adjustments		Total Net Assets
	Valuation Gains on Other Marketable Securities	Total Valuation and Translation Gains	
Balance, December 31, 2007	10,545	10,545	13,221,434
Changes during the Fiscal Period	—	—	—
New Share Issuance	—	—	64,928
Dividend Payments	—	—	△ 996,119
Net Income	—	—	3,090,851
Treasury Stock Purchases	—	—	△ 1,553,757
Changes other than Owners' Equity during the Fiscal Period (Net)	△ 14,612	△ 14,612	△ 14,612
Total Changes during the Fiscal Period	△ 14,612	△ 14,612	591,290
Balance, December 31, 2008	△ 4,066	△ 4,066	13,812,725

(4) Statements of Cash Flows

		Prior Fiscal Year (January 1, 2007 to December 31, 2007)	Current Fiscal Year (January 1, 2008 to December 31, 2008)	Year-on-Year Comparison
Category	Notes	Amount (thousand yen)	Amount (thousand yen)	Change (thousand yen)
I Cash Flows from Operating Activities				
Income before Taxes and Adjustments		7,327,216	5,336,961	
Depreciation Expense		653,802	794,754	
Impairment Loss		99,959	—	
Change in Reserve for Bad Debt (Decrease: Δ)		12,755	40,757	
Change for Reserve in Bonuses (Decrease: Δ)		197,547	Δ 110,647	
Change in Reserve for Director Bonuses (Decrease: Δ)		Δ2,500	Δ 6,300	
Interest Received		Δ27,916	Δ 36,307	
Foreign Exchange Loss/Gain (Gain:Δ)		10,527	14,324	
Loss/Gain on LLP Investment (Gain:Δ)		13,831	53,689	
Valuation Loss on Investment Securities		49,999	19,979	
Valuation Loss on Stock in Affiliates		—	527,154	
Gain on Sale of Fixed Assets		Δ6	—	
Loss on Sale of Fixed Assets		17,117	8	
Loss on Disposal of Fixed Assets		50,105	21,619	
Gain on Transfer of Business		—	Δ 6,281	
Change in Accounts Receivable (Increase:Δ)		Δ360,223	621,533	
Change in Accounts Payable (Decrease: Δ)		Δ7,415	58,458	
Change in Payments Due (Decrease: Δ)		141,705	Δ 467,161	
Change in Other Current Assets (Increase:Δ)		Δ7,758	Δ 70,355	
Change in Other Current Liabilities (Decrease: Δ)		207,596	Δ 223,339	
Change in Other Fixed Assets (Increase:Δ)		38,596	69,107	
Subtotal		8,414,939	6,637,956	Δ 1,776,983
Interest and Dividends Received		22,718	32,434	
Corporate Taxes Paid		Δ3,143,891	Δ 3,733,585	
Cash Flows from Operating Activities		5,293,767	2,936,805	Δ 2,356,961
II Cash Flows from Investing Activities				
Cash used for Purchase of Long-Term Deposits		Δ1,200,000	—	
Cash from Redemption of Time Deposits		—	228,300	
Cash used for Purchase of Investment Securities		Δ469,950	Δ 30,000	
Cash Provided from Sale of Investment Securities		29,000	37,000	
Cash used for Purchase of Stock in Affiliates		—	Δ30,000	
Cash used for Purchase of Tangible Fixed Assets		Δ362,879	Δ 323,464	
Cash Provided from Sale of Tangible Fixed Assets		15,300	8	
Cash used for Purchase of Intangible Fixed Assets		Δ833,617	Δ 620,409	
Cash used for Deposit Guarantees		Δ90,819	Δ 39,674	
Cash Provided from Return of Deposit Guarantees		22,201	71	
Cash used for Accumulation of Insurance Reserve		Δ8,666	Δ 8,666	
Cash Provided from Cancellation of Insurance Reserve		424	—	
Cash used for Loan Extensions		Δ1,020	Δ 3,190	
Cash Provided from Loan Repayments		978	1,481	
Other		—	—	
Cash Flows from Investing Activities		Δ2,899,046	Δ788,544	2,110,502
III Cash Flows from Financing Activities				
Cash Provided by Issuance of Stock		183,117	64,928	
Cash used for Purchase of Treasury Stock		—	Δ 1,553,757	
Cash used for Dividend Payments		Δ747,178	Δ 994,238	
Cash Flows from Financing Activities		Δ564,060	Δ 2,483,066	Δ 1,919,006
IV Translation Adjustment for Cash and Cash Equivalents		Δ607	Δ 11,814	Δ 11,207
V Net Increase in Cash and Cash Equivalents		1,830,052	Δ 346,620	Δ 2,176,673
VI Cash and Cash Equivalents, Beginning of Period		6,173,772	8,003,825	1,830,052
VII Cash and Cash Equivalents, End of Period		8,003,825	7,657,204	Δ 346,620