



8th Business Period (FY12/07)
Third Quarter Operating Results Summary

en-japan inc.
(Stock Code: 4849)

Operating Results Highlights

Achieved higher sales and earnings for 7th consecutive period

Sales ¥15.44 billion, up 35% year-on-year Ordinary income ¥4.95 billion, up 34% year-on-year

<Site sales improved steadily>

- [en] Career Change Info (Up 48% year-on-year)
- [en] Career Change Consultant (Up 32% year-on-year)
- [en] Temporary Placement Info (Up 26% year-on-year)
- [en] Part-time Jobs Plus (Up 43% year-on-year)

**Based on Jan.-Sept. operating results,
revised FY operating results projections**

**Sales ¥23.2 billion ⇒ ¥22.5 billion
Net income ¥7.0 billion ⇒ ¥7.2 billion**

Topics After Third Quarter

● Renewals

- Complete a major renewal of [en] Temporary Placement Info on November 26 aimed at further increasing sales!
- Upgrade to next generation-type site, to respond to diversification of employment

● Enter new businesses

- Launch “[en] 高校生(koukousei)” contest & social network service mobile site for high school students only in December.
- Provide real name registration-type communities (Security considerations)
- Establish revenue sources in sectors other than recruiting business

Launch “[en] Job Info for Students 2009”



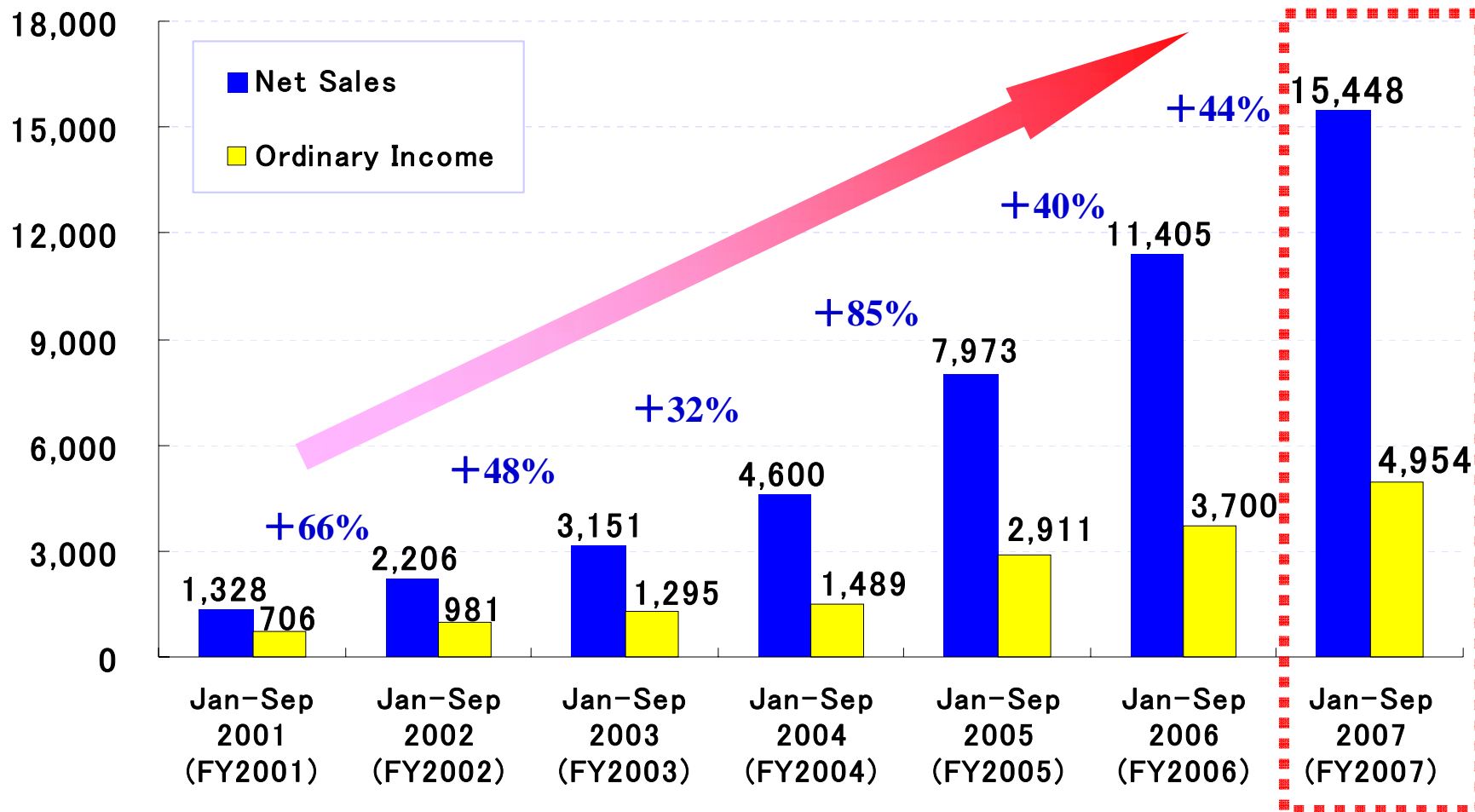
The “Professional Work Research Conference” held at Tokyo Big Sight on October 26 attracted a record turnout of 17,395 students!3

8th Term, 3rd Quarter Earnings (Companywide)

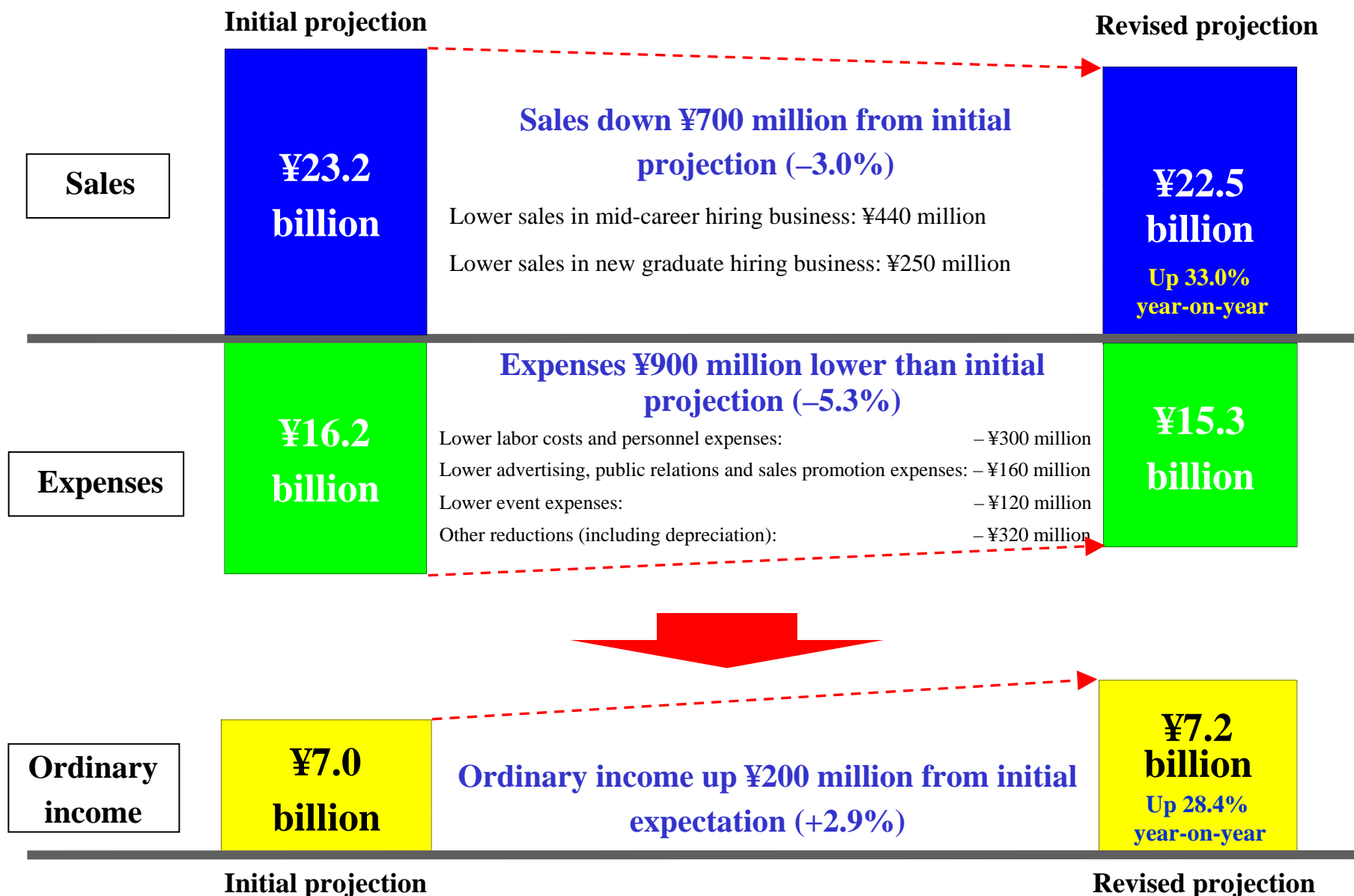


- Sales rise 35% YOY to ¥15.4 billion, ordinary income rises 34% YOY to ¥4.9 billion.

(million yen)



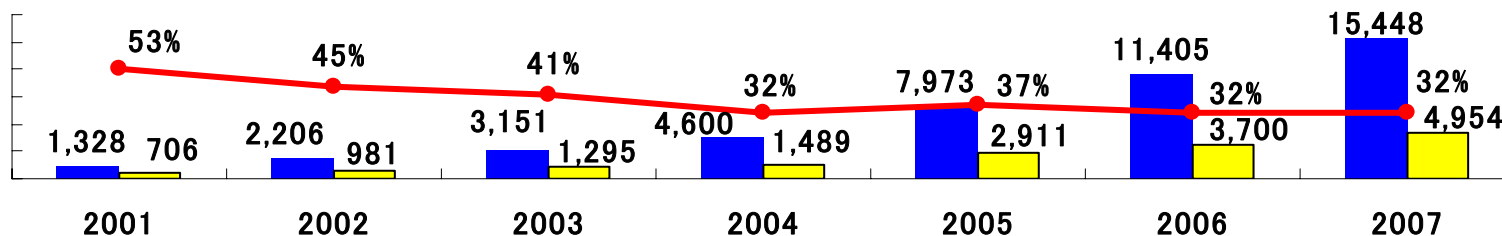
Full Year Revised Operating Results Projections



8th Term Segment Performance

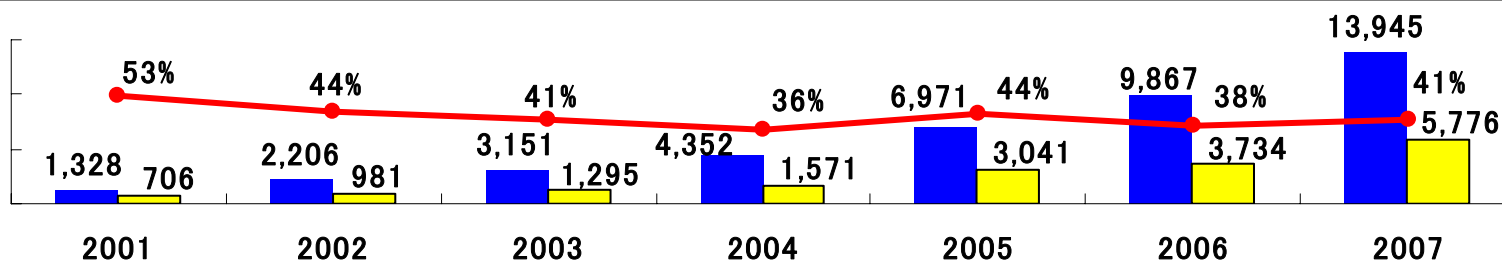


Company-wide



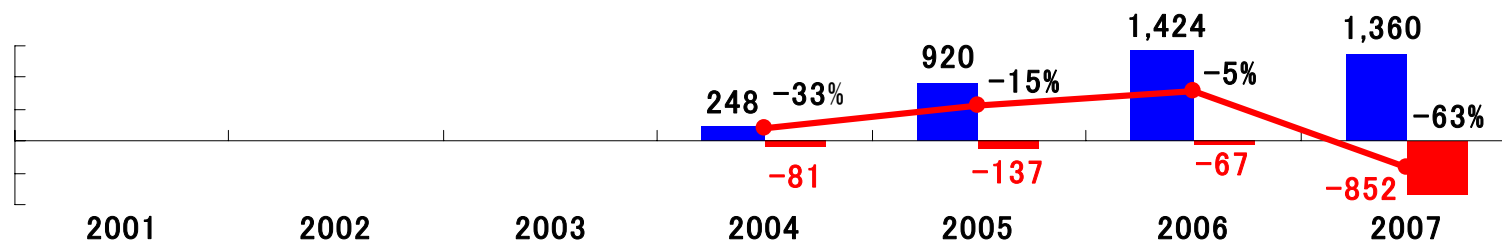
Net Sales
(million yen)

Mid-career hiring business



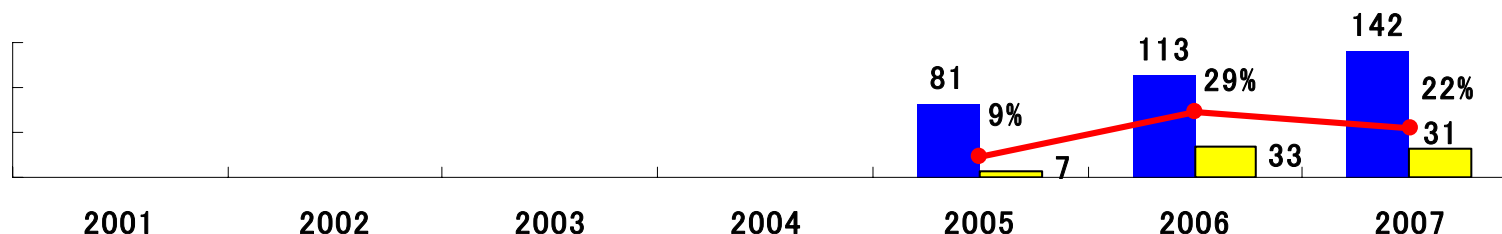
Ordinary Income
(million yen)

New graduate hiring business

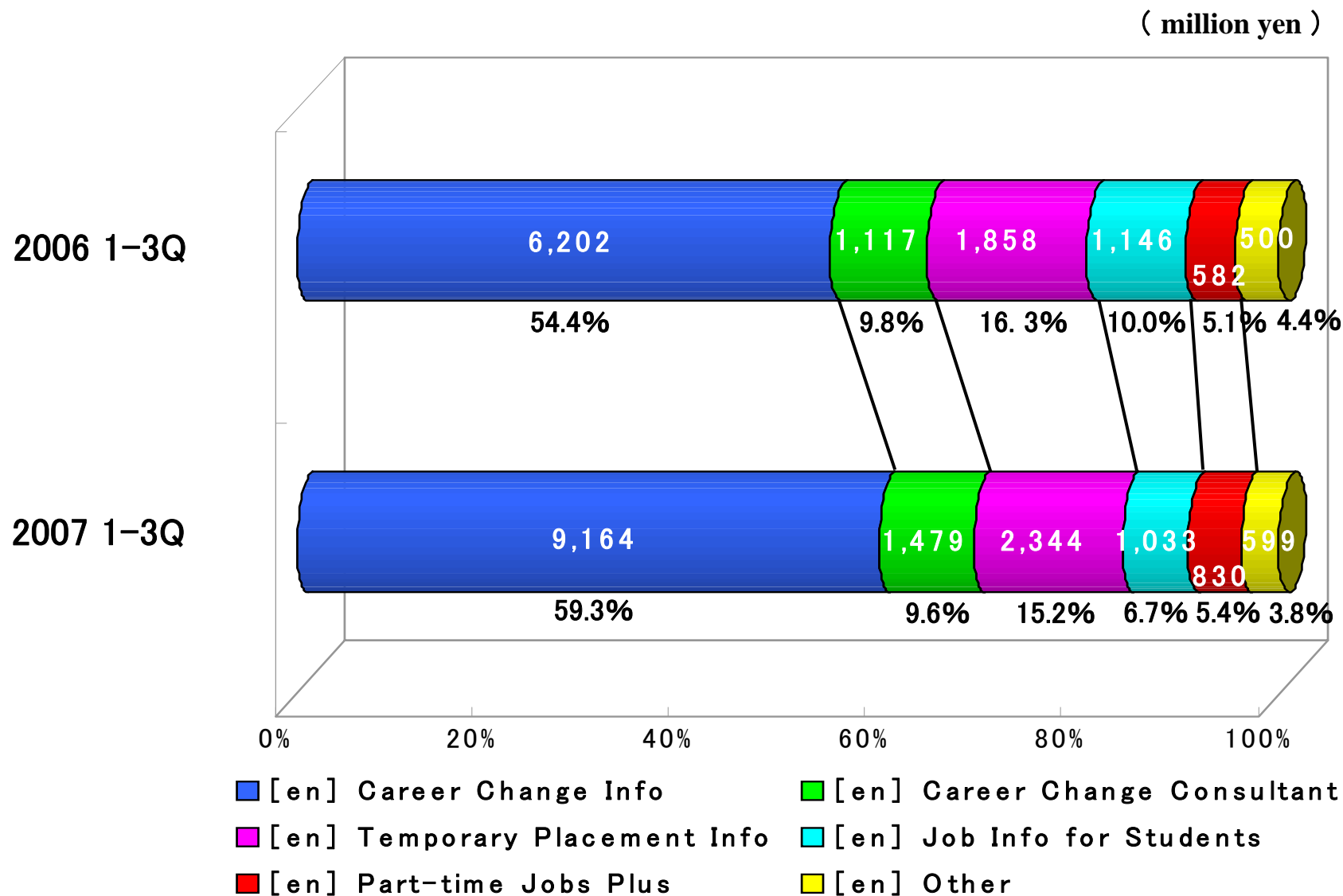


Ordinary Income Rate

Education/Evaluation business

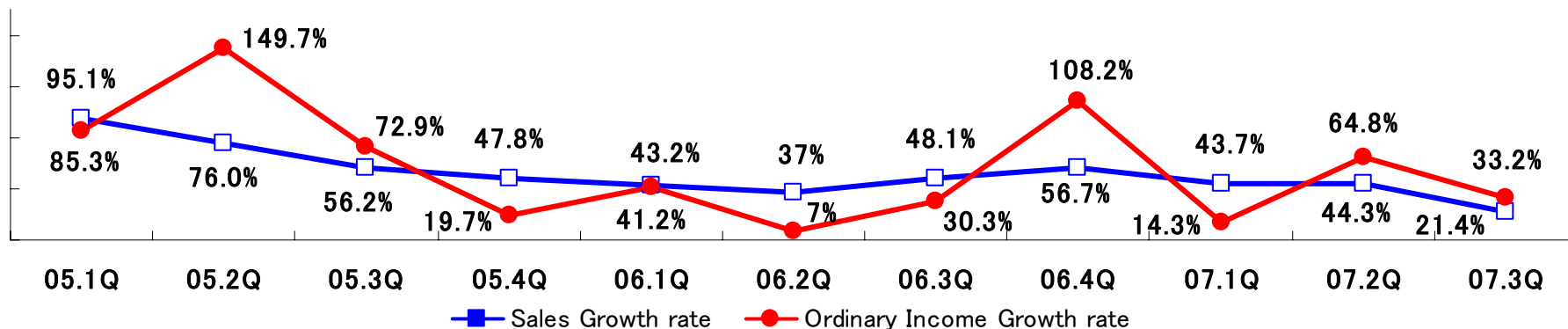
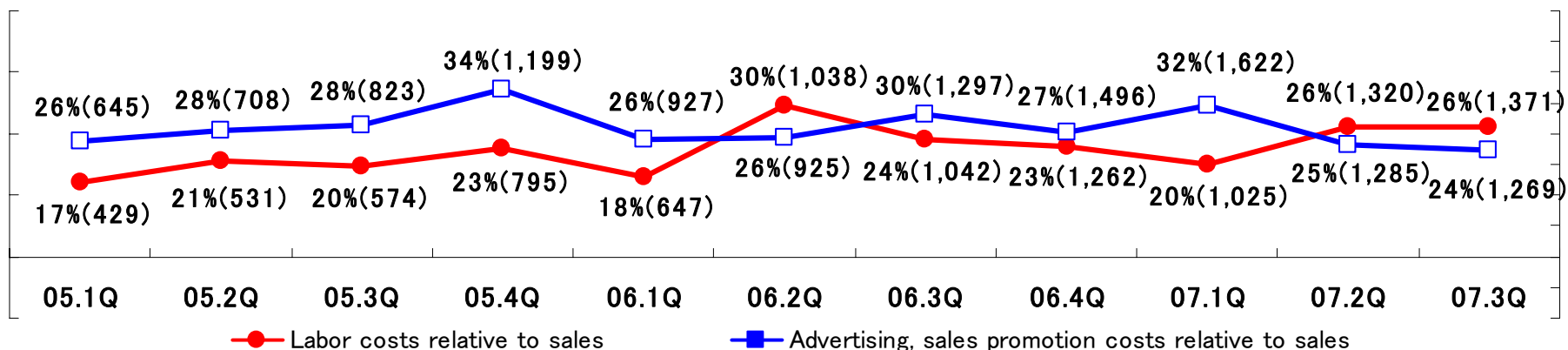
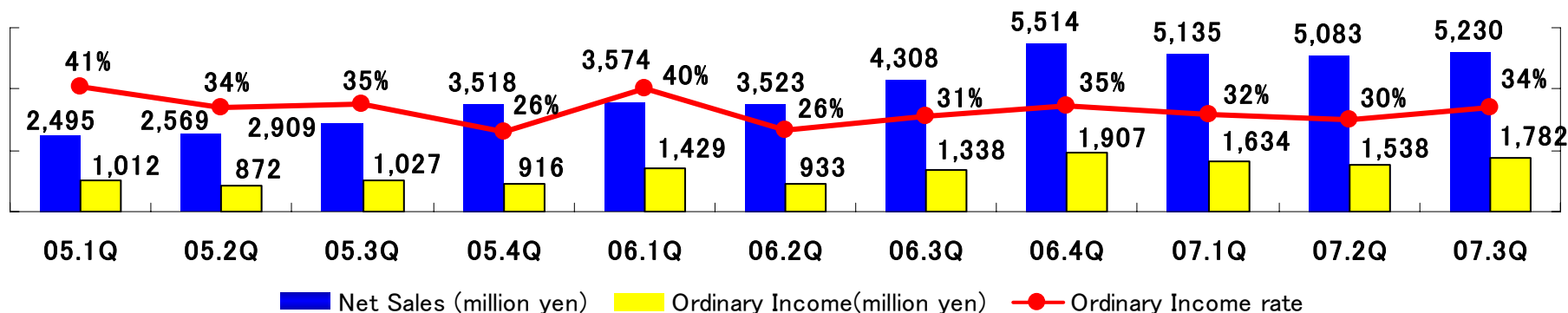


Sales Breakdown by Product



※Other: Hiring outsourcing business, education/evaluation business, etc.

Transition of Quarter Performance (Companywide)



8th Term Income Statement



	Jan-Sep 2006			Jan-Sep 2007		
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change
Net Sales	11,405	100.0%	43.0%	15,448	100.0%	35.4%
Cost of Sales	1,048	9.2%	48.4%	1,420	9.2%	35.5%
Personnel	430	3.8%	79.9%	575	3.7%	33.7%
Other	618	5.4%	32.3%	844	5.5%	36.6%
Gross Profit	10,356	90.8%	42.5%	14,028	90.8%	35.5%
SGA (Sales,general&administrative)	6,651	58.3%	52.0%	9,092	58.9%	36.7%
Personnel	2,297	20.1%	72.6%	3,140	20.3%	36.7%
Advertising, sales promotion	3,149	27.6%	44.7%	4,176	27.0%	32.6%
Other	1,205	10.6%	38.8%	1,776	11.5%	47.4%
Operating income	3,705	32.5%	28.2%	4,935	31.9%	33.2%
Ordinary income	3,700	32.4%	27.1%	4,954	32.1%	33.9%
Net income	2,123	18.6%	39.8%	2,770	17.9%	30.5%

(Sales: +¥4,040mn)
 • en Career Change Info: +¥2,960 mn
 • en Career Change Consultant: +¥360mn
 • en Temporary Placement Info: +¥480mn
 • en Part-time Jobs Plus: +¥240mn
 • en Job Info for Students: -¥110mn
 • Others: +¥90mn

(CGS: +¥140mn)
 Increase in personnel due to business expansion

(Other CGS: +¥220mn)
 Event costs +¥80mn, depreciation from site renewals +¥60mn, work consignment costs +¥80mn

(Personnel expenses: +¥840 mn)
 Increased personnel expenses due to business expansion, strengthened marketing

(Ad, PR expenses: +¥1,020mn)
 Strengthened promotions using TVCM and station, mass transit and other media advertisements

(Other: +¥570mn)
 Rent, other expenses from expanded HQ floor space, increased business locations: +¥270mn, depreciation: +¥50mn, telecom expenses: +¥40mn

	Jan-Sep 2006			Jan-Sep 2007		
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change
Net Sales	9,867	100.0%	41.5%	13,945	100.0%	41.3%
Cost of Sales	733	7.4%	49.6%	908	6.5%	23.9%
Gross Profit	9,133	92.6%	40.9%	13,036	93.5%	42.7%
SGA (Sales, general & administrative)	5,394	54.7%	56.0%	7,279	52.2%	34.9%
Personnel	1,615	16.4%	88.2%	2,284	16.4%	41.4%
Advertising, sales promotion	2,878	29.2%	44.8%	3,668	26.3%	27.4%
Other	901	9.1%	47.0%	1,327	9.5%	47.3%
Operating income	3,739	37.9%	23.7%	5,757	41.3%	54.0%
Ordinary income	3,734	37.8%	22.8%	5,776	41.4%	54.7%

(Sales: +¥4,070mn)
 •en Career Change Info: +¥2,960mn
 •en Career Change Consultant: +¥360mn
 •en Temporary Placement Info: +¥480mn
 •en Part-time Jobs Plus: +¥240mn

(CGS: +¥170mn)
 Increase in contents production costs due to business expansion: +¥120mn, event costs: +¥30mn

(Personnel expenses: +¥660mn)
 Increased personnel expenses due to business expansion, strengthened marketing

(Ad, PR expenses: +¥790mn)
 Enhancement of TV commercials and other promotional activities

(Others: +¥420mn)
 Rent, other expenses from expanded HQ floor space, increased business locations: +¥200mn, depreciation: +¥40mn, telecom expenses: +¥30mn

- ◆ **Mid-Career Hiring Business: [en] Career Change Info, [en] Career Change Consultant, [en] Temporary Placement Info, [en] Part-time Jobs Plus, other mid-career hiring related**

	Jan-Sep 2006			Jan-Sep 2007		
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change
Net Sales	1,424	100.0%	54.8%	1,360	100.0%	-4.5%
Cost of Sales	301	21.1%	52.8%	495	36.4%	64.5%
Gross Profit	1,122	78.8%	55.2%	864	63.5%	-23.0%
SGA (Sales, general & administrative)	1,189	83.5%	38.1%	1,717	126.3%	44.4%
Personnel	632	44.4%	46.3%	791	58.2%	25.2%
Advertising, sales promotion	271	19.0%	44.1%	507	37.3%	87.1%
Other	286	20.1%	18.7%	419	30.8%	46.5%
Operating income	-67	-4.7%	-	-852	-62.6%	-
Ordinary income	-67	-4.7%	-	-852	-62.6%	-

(Sales: -¥60mn)
 • Site sales: ¥1,030mn (-¥110mn)
 • Other (hiring outsourcing): ¥320mn (+¥50mn)

(CGS: +¥190mn)
 Depreciation from site development: +¥60mn, event costs: +¥40mn, work consignment costs: +¥60mn

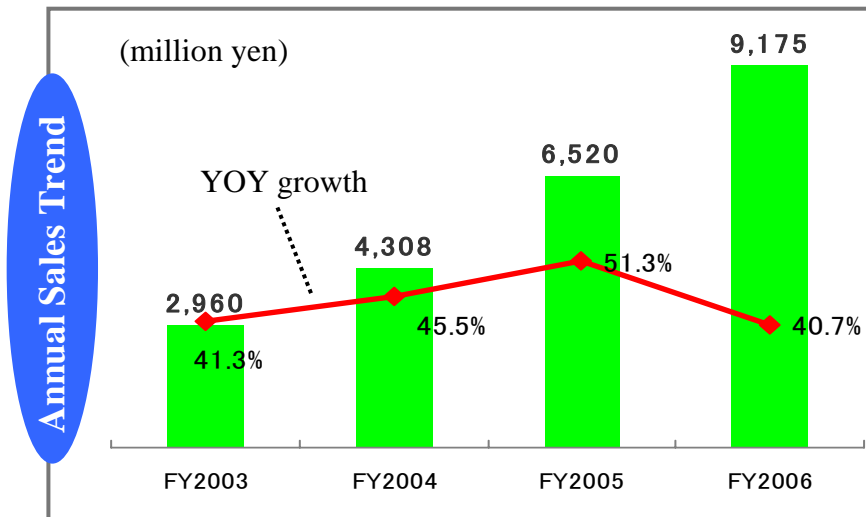
(Personnel expenses: +¥150mn)
 Increased personnel expenses due to business expansion, strengthened marketing

(Ad, PR expenses: +¥230mn)
 Mass transit and newspaper advertising, conference-related, other

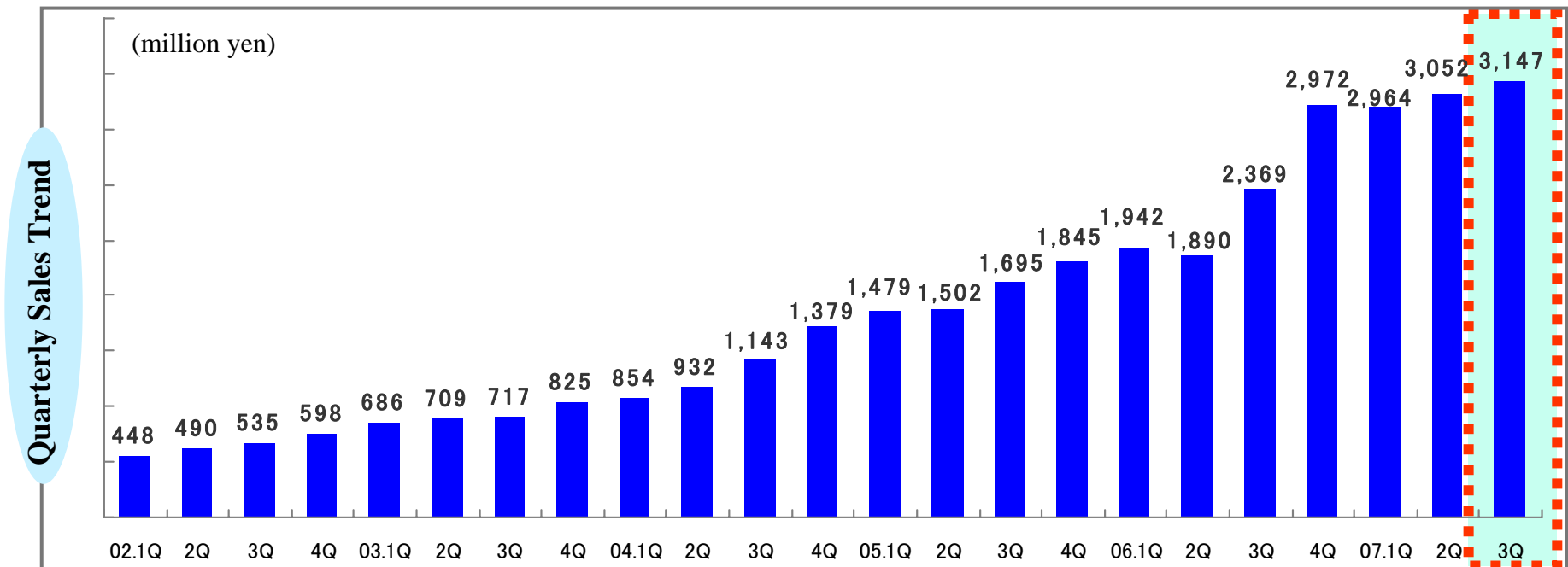
(Other: +¥130mn)
 Rent, other expenses from expanded HQ floor space, increased business locations: +¥60mn, other

- ◆ **New Graduate Hiring Business: [en] Job Info for Students, other new graduate hiring related**

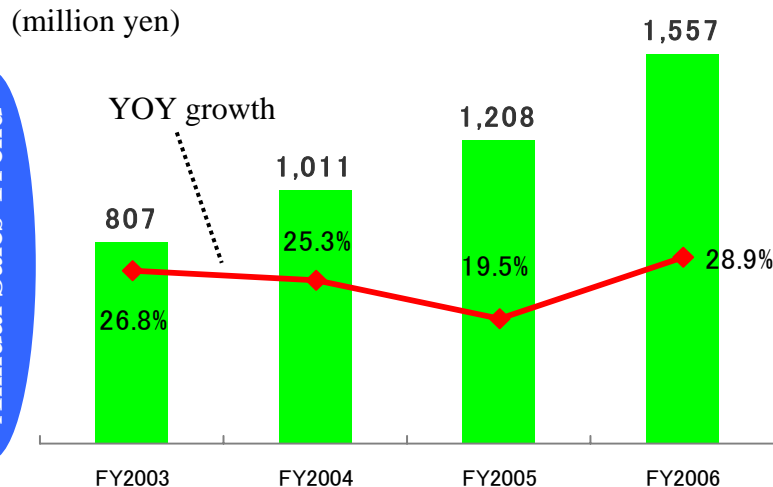
	Jan-Sep 2006			Jan-Sep 2007		
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change
Net Sales	113.7	100.0%	40.2%	142.2	100.0%	25.1%
Cost of Sales	13.1	11.5%	-25.1%	15.2	10.7%	16.0%
Gross Profit	100.5	88.4%	58.0%	126.9	89.2%	26.3%
SGA (Sales,general&administrative)	67.2	59.1%	19.1%	95.3	67.0%	41.8%
Personnel	49.8	43.8%	28.0%	63.8	44.9%	28.1%
Advertising, sales promotion	0.5	0.4%	150.0%	0.5	0.4%	0.0%
Other	16.9	14.9%	-2.3%	31.0	21.8%	83.4%
Operating income	33.3	29.3%	369.0%	31.6	22.2%	-5.1%
Ordinary income	33.3	29.3%	369.0%	31.6	22.2%	-5.1%



- Achieved record high sales in Q3 of ¥3.14bn, up ¥770mn or 32.8% year-on-year.
- Steady growth in sales of hiring outsourcing related products and planning for clerical work.
- Strong demand from manufactures and the financial institutions in addition to IT.
- Job seeking registered users rose to 1.80 million as of the end of September.
- Customer satisfaction levels remained high.
Corporate client satisfaction of 91.4% (March survey)
Job seeker satisfaction of 96.5% (September survey)

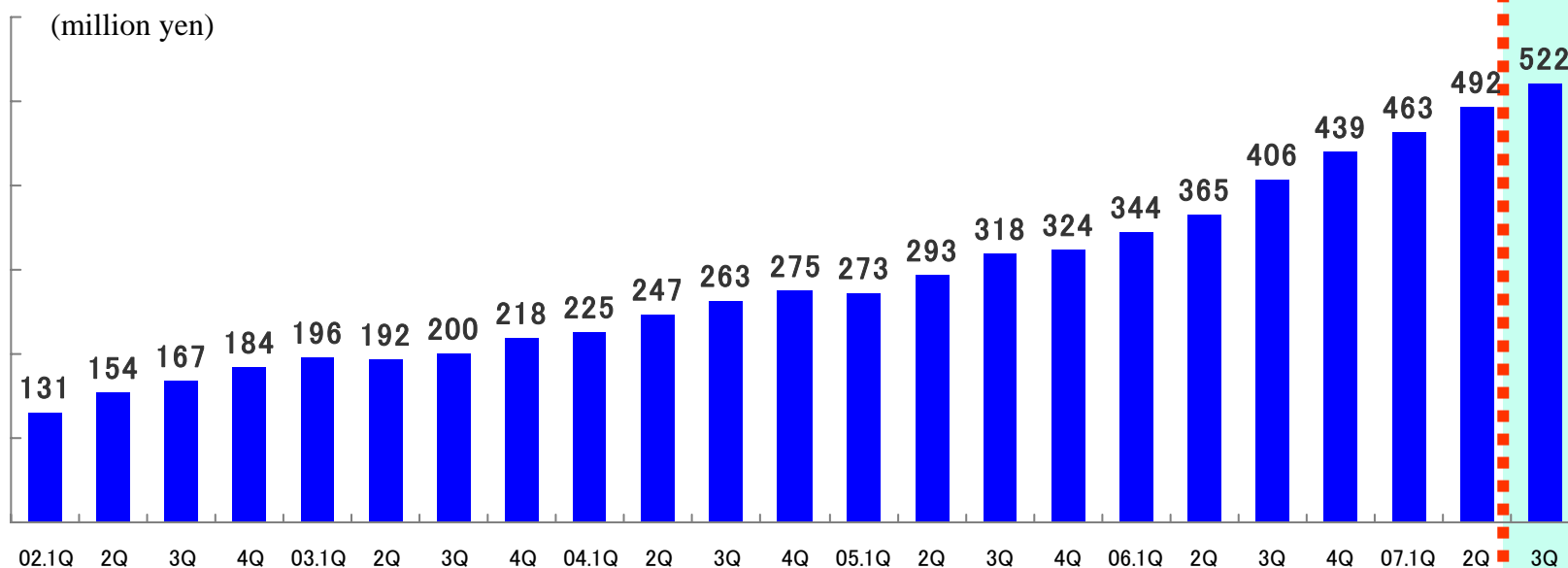


Annual Sales Trend

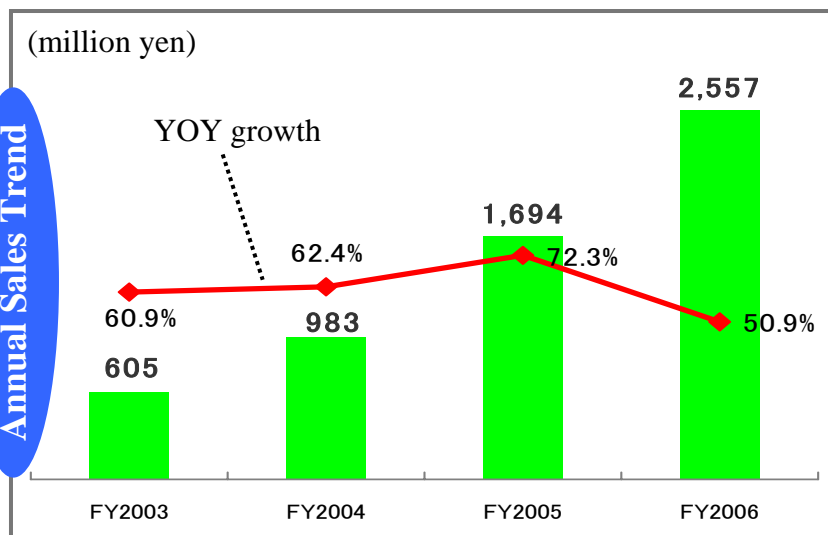


- Against the backdrop of an excellent market, Q3 sales reached a record high of ¥520mn, up ¥110mn or 28.5% year-on-year. en-japan retained its dominant No. 1 position in the industry.
- Companies listing jobs on our site totaled 371 firms as of the end of September, up 59 companies or 18% year-on-year. Our average unit price remained at a high level.
- We upgraded the corner for highly-qualified job applicants in order to obtain higher unit prices.
- Also expanded our corporate client base through growth in the number of job placement agencies.
- The number of registered users also expanded steadily to 383,000 as of the end of September, up 94,000 or 32.6% year-on-year.

Quarterly Sales Trend

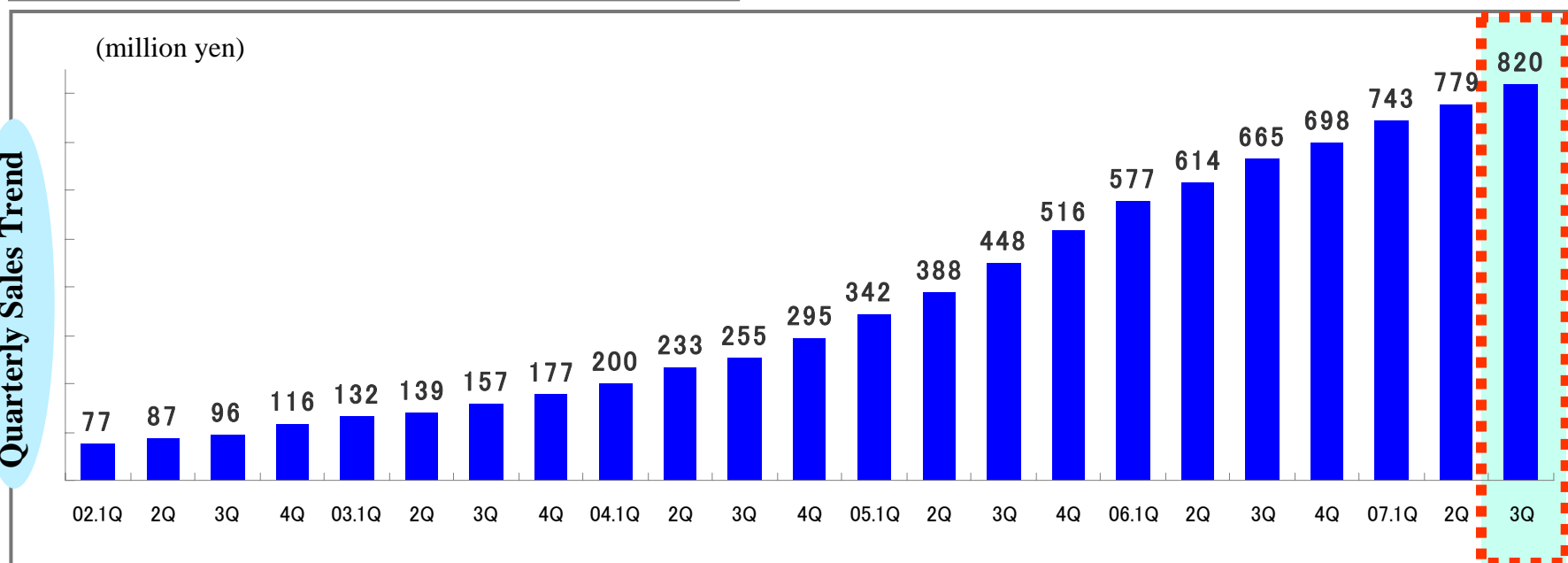


Annual Sales Trend

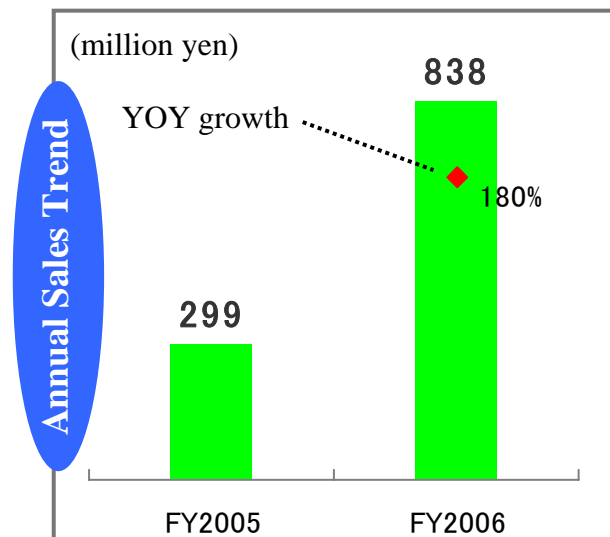


- Achieved record high sales in Q3 of ¥820mn, up ¥150mn or 23.3% year-on-year.
- Based on the effectiveness of our sites and excellent cost-performance profile we provide, we are selected more often by our clients. Companies listing jobs on our site totaled 613 firms as of the end of September, up 82 companies or 15% year-on-year.
- Renew our site on November 26 to achieve further sales growth.
- Released Test “3E-is,” a new product for temporary staffing agencies, in August.
- The number of registered users also expanded steadily to 410,000 as of the end of September, up 110,000 or 36.2% year-on-year.

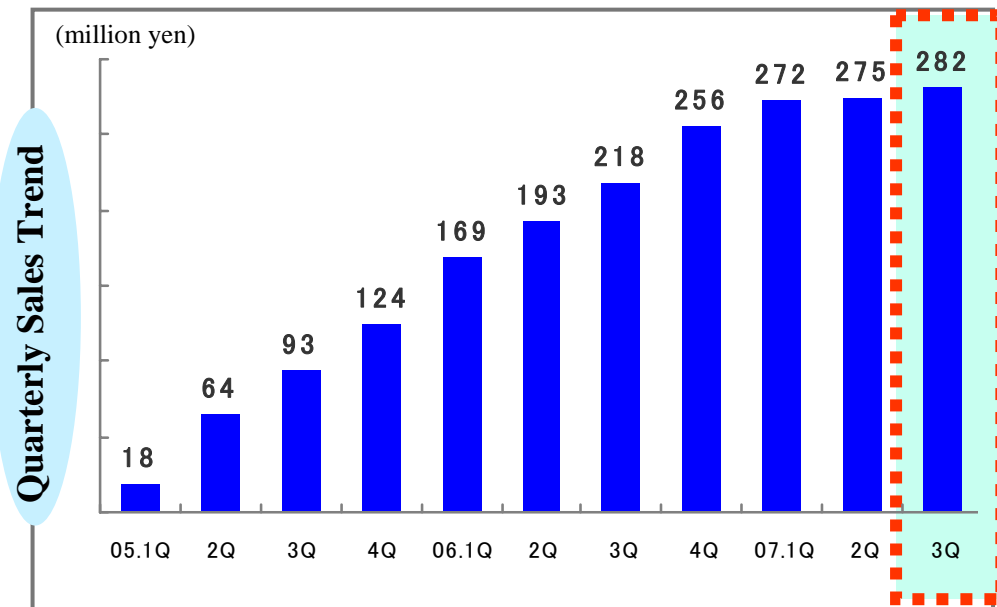
Quarterly Sales Trend



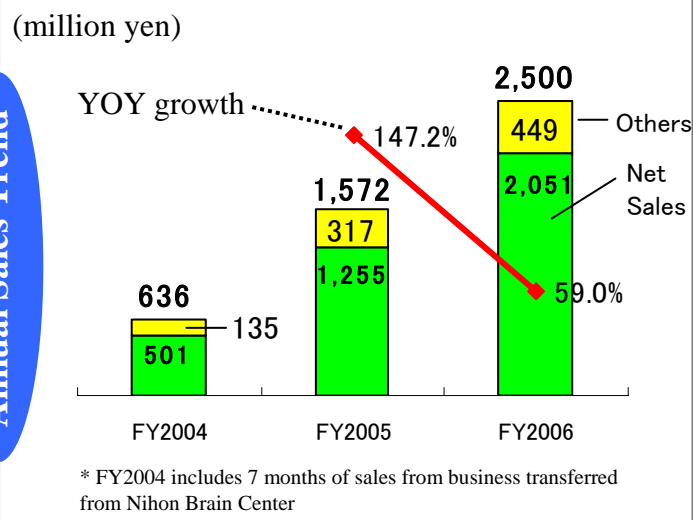
8th Business Period Q3 Operating Results by Site – [en] Part-time Jobs Plus



- Achieved record high sales in Q3 of ¥280mn. Up ¥60mn or 29.0% year-on-year.
- Companies listing jobs on our site totaled 400 firms as of the end of September, up 130 companies or 48% year-on-year.
- Strong demand from distributors and real estate companies (sales staff).
- The number of registered users also rose steadily, to 173,000 as of the end of September, up 68,000 individuals or 64% year-on-year.
- Applies from job seekers through mobile sites increased to three times the level of the same period in the previous year.

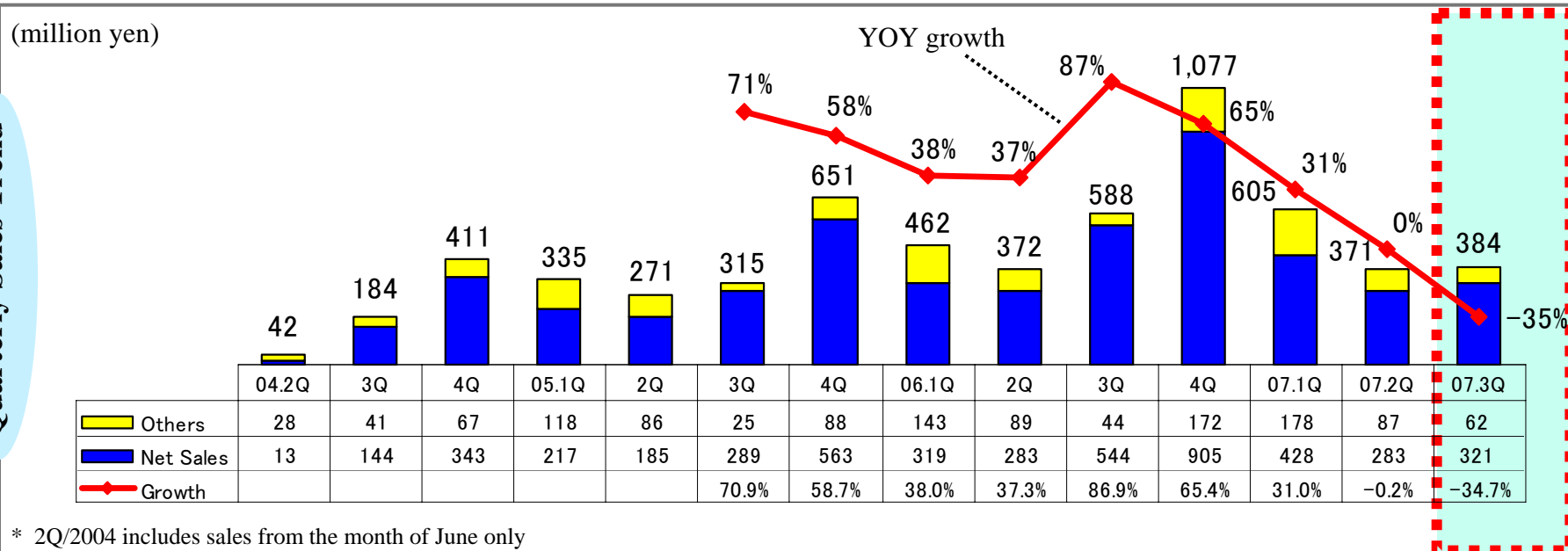


Annual Sales Trend



- 3Q sales were 35% lower year-on-year, reflecting a change in accounting method for sales. Without this change, sales were up 44% year-on-year to ¥840mn.
- We formally opened the 2009 site (employment site for students graduating in 2009) in October.
- Companies listing jobs on our site at the grand opening totaled 834 firms, up 16% year-on-year.
- The number of registered users at the grand opening was up 69% year-on-year. 2008 site: 123,185 users ⇒ 2009 site: 208,013 users

Quarterly Sales Trend



Explanation of Q3 operating results

**Q3 sales were ¥380mn
(70% of budget)**

- The price-cutting stance adopted by the two leading companies negatively affected our new client development.
- Spent greater time on efforts to obtain orders, which resulted in longer delivery time for services.

Current FY operating results forecast

FY forecast
Sales: **¥3,250mn**
Ordinary income: **¥100mn**

- Q1-Q3 sales were **¥1,360mn**, with service orders outstanding at end 3Q of **¥1,490mn**
- ⇒ Total of ¥2,850mn secured at the end of Sept.
(**Up 38%** year-on-year)
- Percentage of 3,250mn sales forecast achieved: 88% (prior year: 82%)
- Project ordinary income of ¥100mn from reduced budget for CGS and personnel expenses

Future outlook

Confident we will continue increasing share in future

- Increase Registered users (At grand opening)
Site for 2008 graduates: 123,185
Site for 2009 graduates: **208,013**
(**Up 69%** year-on-year)
- Increase average number of entries one week after opening: **About 6X** 2008 site
Maintain at high level
- Increase repeater percentage
07→08 site: 55%
08→09 site: Keep at 60~65%

—New Business Developed by the New Business Promotion Office—

Launched high school student-only “[en] 高校生(koukousei)” contest and social network service mobile site!

Objectives:

- Provide a space where students can participate safely in mobile communications, where problems such as young people falling victims to scams have occurred frequently recently at some sites.
- Establish a basis for earnings other than Job Advertising.

Characteristics:

- Focus on participatory contests in a wide variety of fields related to hobbies, language and sports, to encourage high school students to immerse themselves in areas of their own interest, provide opportunities for achievement and stimulate a community of peers engaged in the same interest.
- Members restricted to high school students - Avoids problems arising from false online identities.
- Introduces a point system for members and grants privileges based on the number of points.
- Revenue sources:
 1. E-mail magazine and banner advertising fees
 2. Certified community participation fees from sponsors
 3. Contest advertisement insert fees
 4. Others (income from affiliate advertisements, sampling, etc.)

Initial FY plan Sales : ¥300 million



—Renewal of Temporary Placement Website—

Upgraded [en] Temporary Placement Info to next-generation website!

● Objectives:

1. Broaden user bracket
2. Increase orders from large clients
3. Respond to diversification of users' needs



● Characteristics:

1. Site design is easy-to-use, even for first-time temporary placement users
2. Enhanced information to include professional and service occupational categories, in addition to regular clerical works
3. Enhanced suburban dispatch information to respond to workers' need for jobs close to home



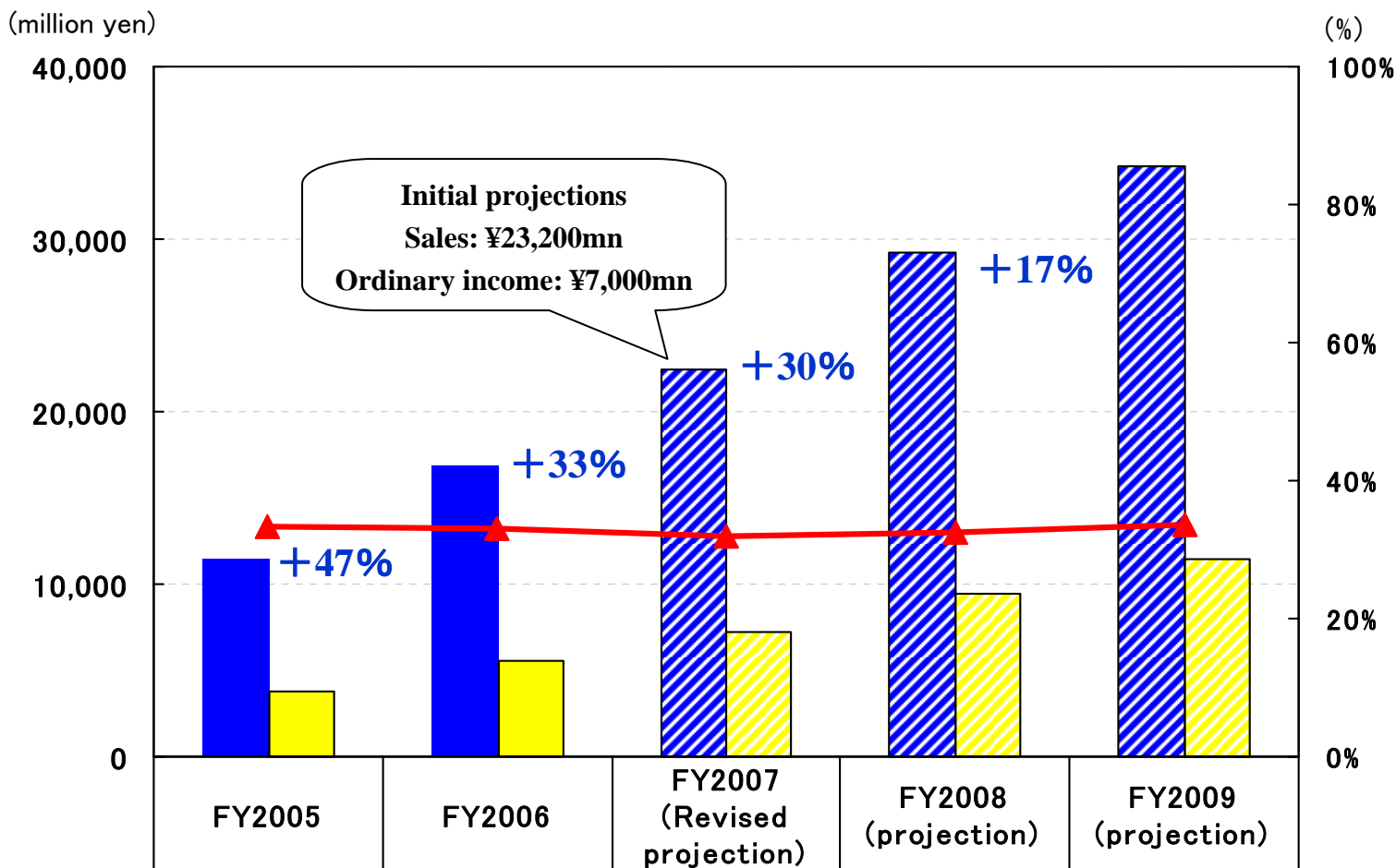
—VC Business—

- Investment forecast for current FY: 10 projects, ¥300 million
- Investment as of September 30
 - Number of investment projects : 7
 - Investment amount : ¥210mn
- New investments in 3Q
 - Number of investment projects : 2
 - Investment amount: ¥80mn

—Overseas Business—

- Talent Alliance (Beijing) Technology Development Limited, our JV in China, continues to grow steadily
- 2007 Q1-Q3 operating results**
- > Sales: 11.28mn yuan (¥180mn)
 - Ordinary income: ¥0.94mn yuan (¥15.0mn)
- 2007 full-year projection**
- > Sales: 15.0mn yuan (¥240mn)
 - Ordinary income: 1.0mn yuan (¥16.0mn)
 - ⇔ FY2006: -4.8mn yuan (-¥73.0mn)

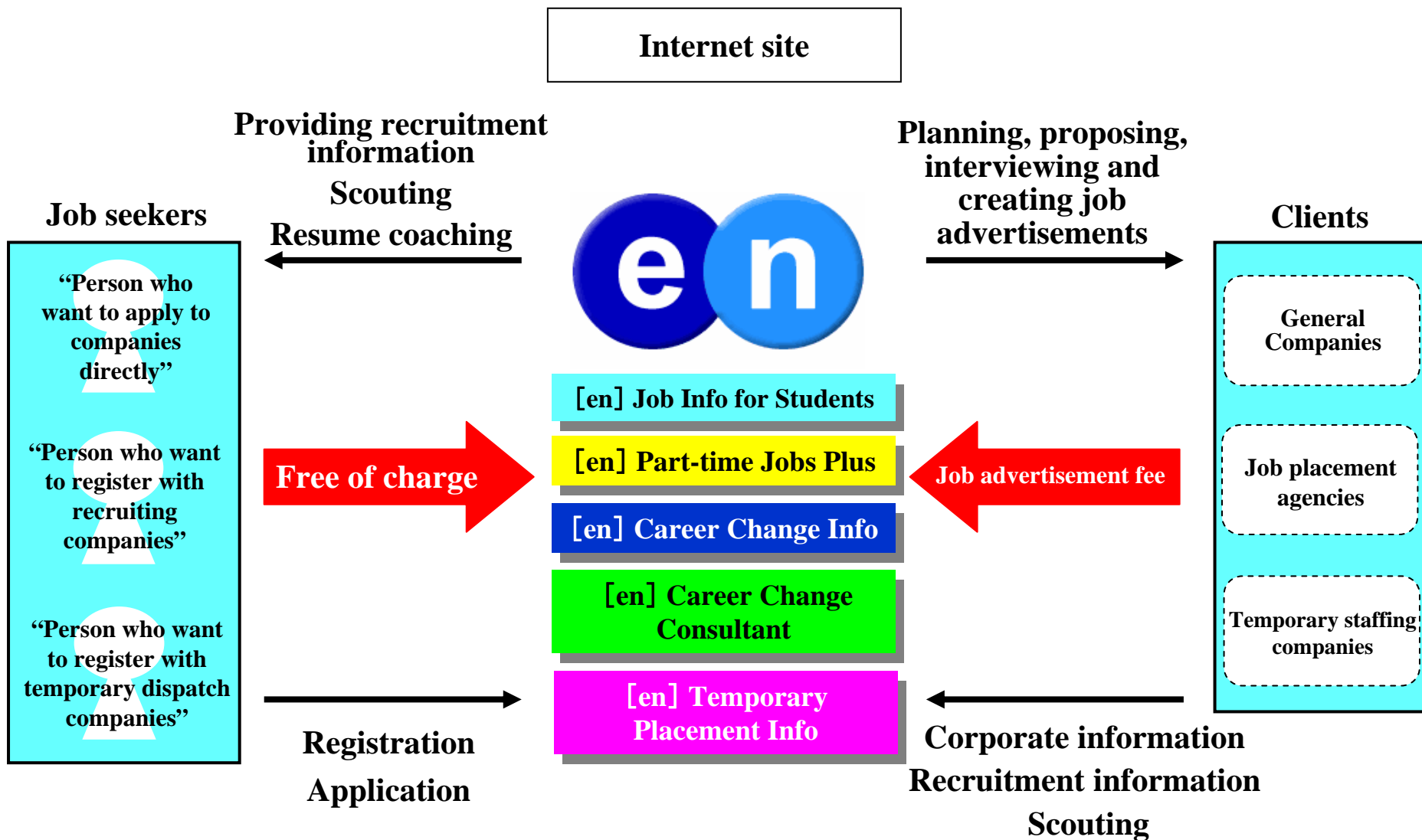
■ Performance Forecast (Companywide)



Net Sales	11,491	16,919	22,500	29,200	34,200
Ordinary Income	3,827	5,607	7,200	9,500	11,500
Number of employees	538	879	1,120	1,300	1,430
Ordinary Income Rate	33.3%	33.1%	32.0%	32.5%	33.6%

Overview

【 Name 】	en-japan inc.
【 Establishment 】	January 14, 2000
【 Representative 】	Michikatsu Ochi (President & CEO)
【 Headquarters 】	Shinjuku I-land Tower, 6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo
【 Total Stockholder's Equity 】	JPY 11,725 million (as of end of Sep 2007)
【 Stock Listing 】	Nippon New Market "Hercules"
【 Fiscal Year 】	January 1 – December 31
【 Number of Employees 】	1,126 (as of end of Sep 2007)
【 Number of Outstanding Shares 】	242,365(as of end of Sep 2007)
【 Business Description 】	(1) Internet job recruitment service (2) Consultation on recruitment, employee education and personnel evaluation system



■ Our Main Business Contents - Sites We Operate



	Site Brand	Share	Contents	Characteristics	Users	Clients
Mid-career Hiring Business	[en]Career Change Info [en]社会人の転職情報	54 %	Site for Comprehensive Career Change Info	<u>No. 2 in industry</u> <ul style="list-style-type: none"> • All information is provided through our reporting and photographing of each company • Straightforward, detailed Career Change Info from perspective of job seekers • All information has video (only en-japan) 	<ul style="list-style-type: none"> • 70% are in their 20s - mid 30s • 70% are male • All occupations 	General companies
	[en]Career Change Consultant [en]転職コンサルタント	9 %	Collective site for job placement agencies	<u>No. 1 in industry</u> <ul style="list-style-type: none"> • Information on job placement agencies and their Career Change Info • 5-level evaluation of job placement agencies (first in industry) • High End Job Corner opened 	<ul style="list-style-type: none"> • 60% are in their late 26 - 40 • 80% are male 	Job placement agencies
	[en]Temporary Placement Info [en]派遣のお仕事情報	15 %	Collective site for temporary staffing companies	<u>No. 1 in industry</u> <ul style="list-style-type: none"> • Temporary staffing company information and their Career Change Info • Unique search category "Insistence INDEX" 	<ul style="list-style-type: none"> • 70% are in their 20s - mid 30s • 80% are female 	Temporary staffing companies
	[en]Part-time Jobs Plus [en]本気のアルバイト	5 %	Part-time worker Career Change Info site	<u>Site for part-time jobs that offer the potential to be hired as full-time employees</u> <ul style="list-style-type: none"> • #1 site in part-time Career Change Info volume with unique content • Clear merits from potential of full-time employment opportunities 	<ul style="list-style-type: none"> • 80% are in their 20s - mid 30s • 50% are Part-timers and NEETs • Man and Woman in halves 	General companies
New-Graduate Business	[en]Job Info for Students [en]学生の就職情報	12 %	Site for student employment information	<u>Unique job and company research type-site</u> <ul style="list-style-type: none"> • Largest Japanese site with largest volume and highest quality of job information • Same characteristics as [en] Career Change Info • "Professional Work Research," a unique service of en-japan 	<ul style="list-style-type: none"> • University students • Graduate students 	General companies



■ en-japan inc. IR Administration Office

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Cautionary Statement

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