

# **9th Term Interim FY12/08 Announcement Presentation**

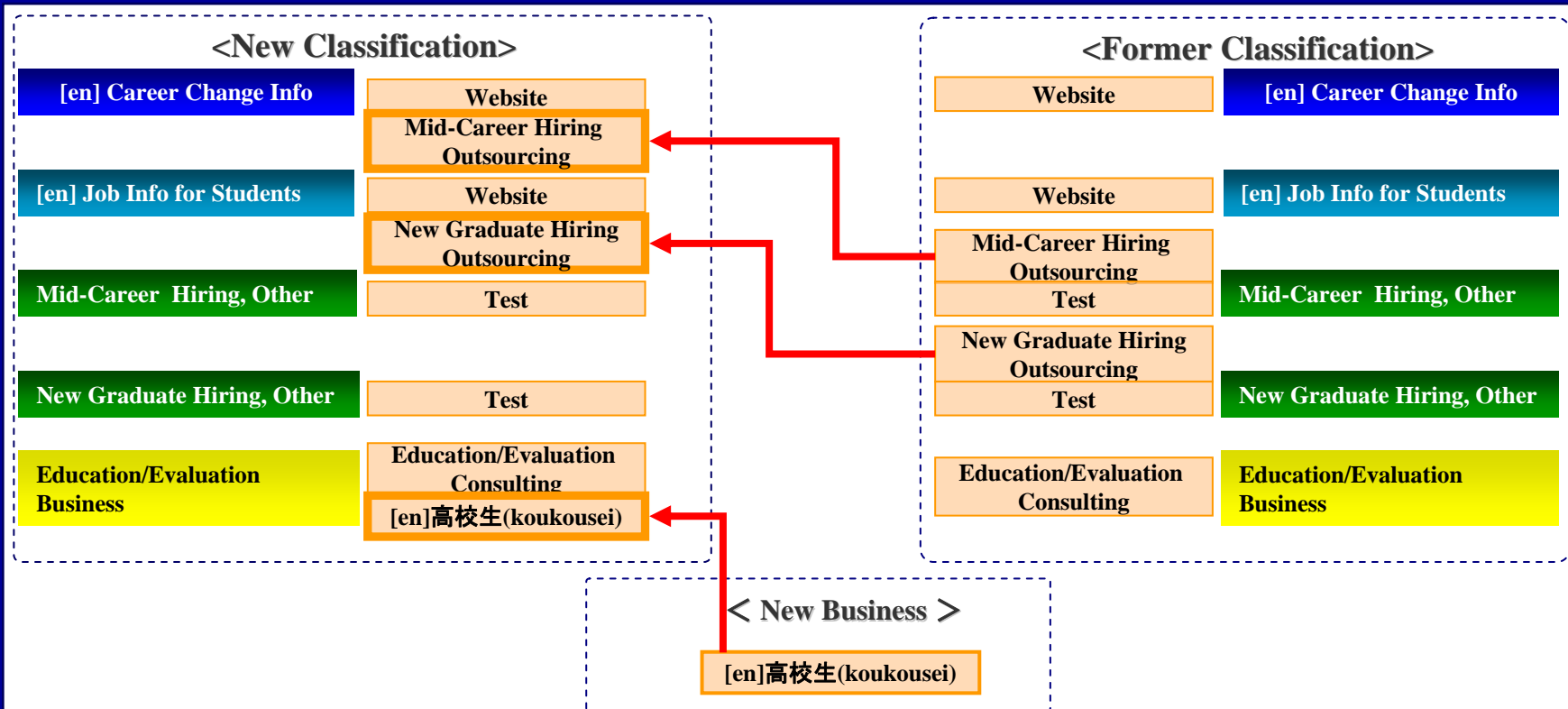


**Aug 8th, 2008**

**en-japan Inc.**

---

## Change in Website Sales Classification

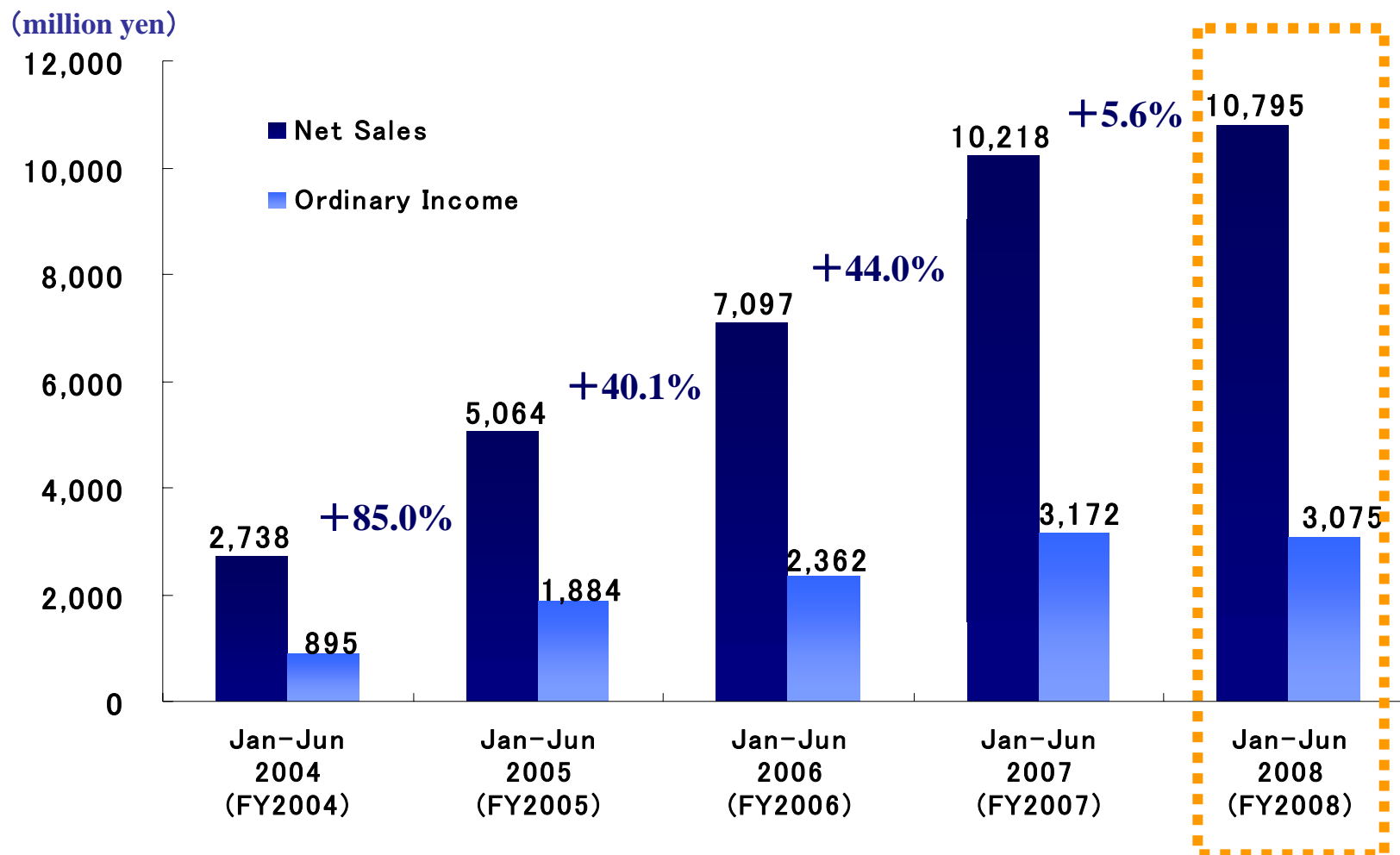


In the past, Sales of “Hiring Outsourcing Products” under the “Mid-Career Hiring Business” and “New Graduate Hiring Business” included in “Other” category under the “Mid-Career Hiring Business” and “New Graduate Hiring Business” each with sales of “test”. However, these ”Hiring Outsourcing Products” are strongly tied to the site’s products. Accordingly, Sales of “Mid-Career Hiring Outsourcing Products” will be included in “[en] Career Change Info” site sales and Sales of “New Graduate Hiring Outsourcing Products” will be included in “[en] Job Info for Students” site sales beginning this period.

In addition, Beginning this period, “[en] 高校生(koukousei)” revenues will be recorded in “Education/Evaluation Business, Other.”

# **FY12/08 Interim Period Operating Results Summary**

- The 8<sup>th</sup> consecutive period of revenue growth, decline in profit.
- Sales rise 5.6% YOY to ¥10.79 billion, ordinary income decrease 3.1% YOY to ¥3.07 billion.



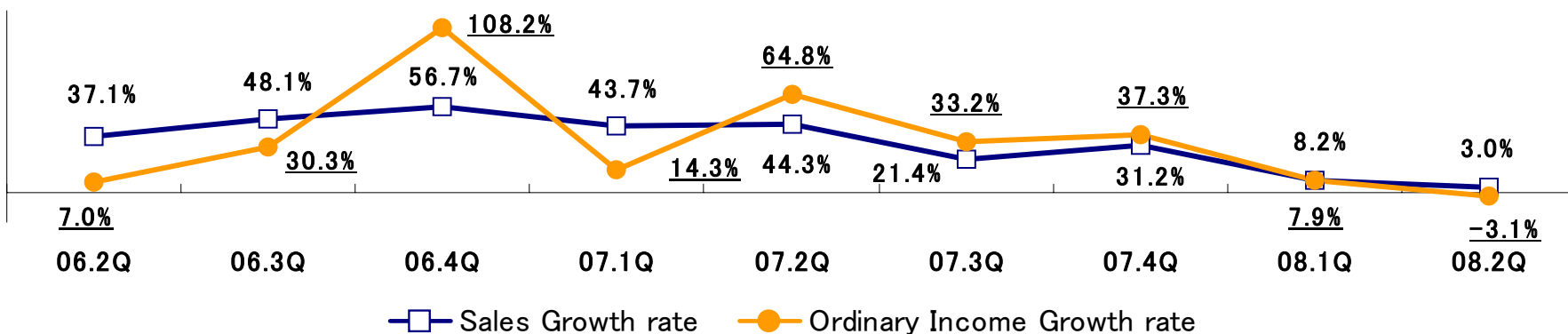
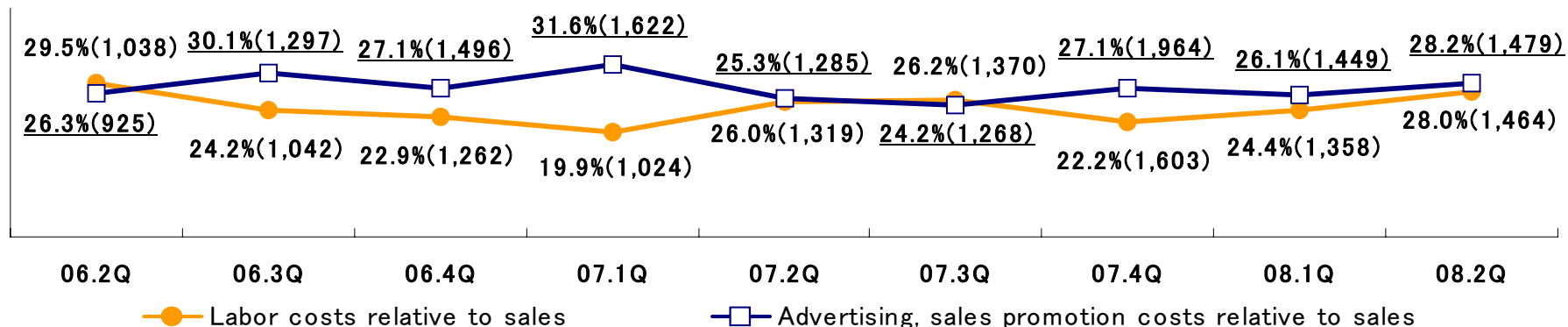
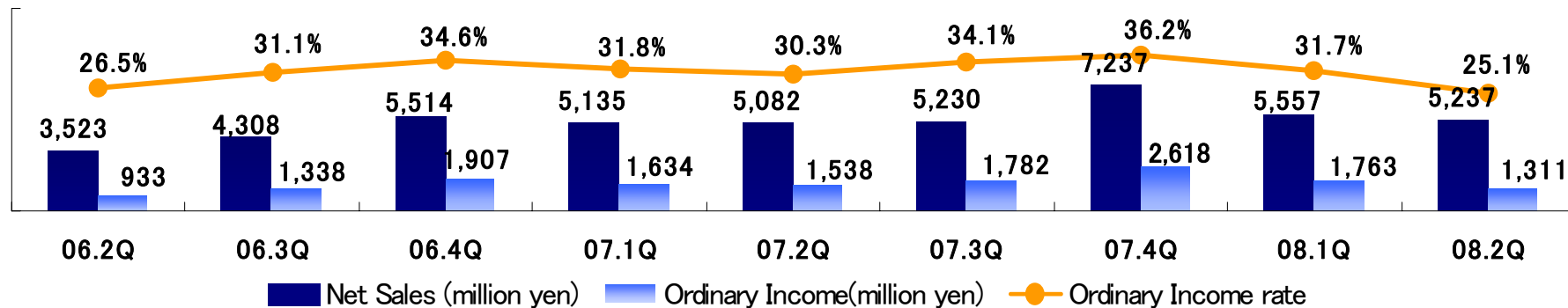
# FY12/08 Term Income Statement (Companywide)



※( ) is comparison by the former classification

	FY2007 (07.Jan-Jun)			FY2008 (08.Jan-Jun)			
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change	
Net Sales	10,218	100.0%	44.0%	10,795	100.0%	5.6%	<b>〈Sales: +¥577mn〉</b> •en Career Change Info : (Δ¥72mn) •en Career Change Consultant: +¥209mn •en Temporary Placement Info: +¥273mn •en Part-Time Jobs: +¥56mn •en Job Info for Students : (+¥86mn)
Cost of Sales	983	9.6%	44.5%	1,079	10.0%	9.8%	
Personnel	359	3.5%	34.6%	388	3.6%	8.0%	
Other	624	6.1%	50.9%	691	6.4%	10.7%	<b>〈Personnel CGS: +¥28mn〉</b>
Gross Profit	9,234	90.4%	43.9%	9,715	90.0%	5.2%	
SGA(Sales, general & administrative)	6,086	59.6%	50.7%	6,626	61.4%	8.9%	<b>〈Other CGS: +¥67mn〉</b> depreciation from site renewals: +¥0.85mn、 Event costs Δ¥0.70mn、work consignment costs +¥0.51mn
Personnel	1,985	19.4%	41.5%	2,434	22.5%	22.6%	
Advertising, sales promotion	2,907	28.5%	56.9%	2,929	27.1%	0.7%	<b>〈Personnel expenses: +¥448mn〉</b> Increased personnel expenses due to business expansion.
Other	1,192	11.7%	52.7%	1,263	11.7%	5.9%	
Operating income	3,148	30.8%	32.3%	3,088	28.6%	-1.9%	<b>〈Extraordinary loss : Δ¥555mn〉</b> loss on Talent Alliance (Beijing) Technology Development Limited ¥527mn
Ordinary income	3,172	31.0%	34.3%	3,075	28.5%	-3.1%	
Net income	1,711	16.7%	37.5%	1,467	13.6%	-14.2%	

# Transition Quarter Performance (Companywide)

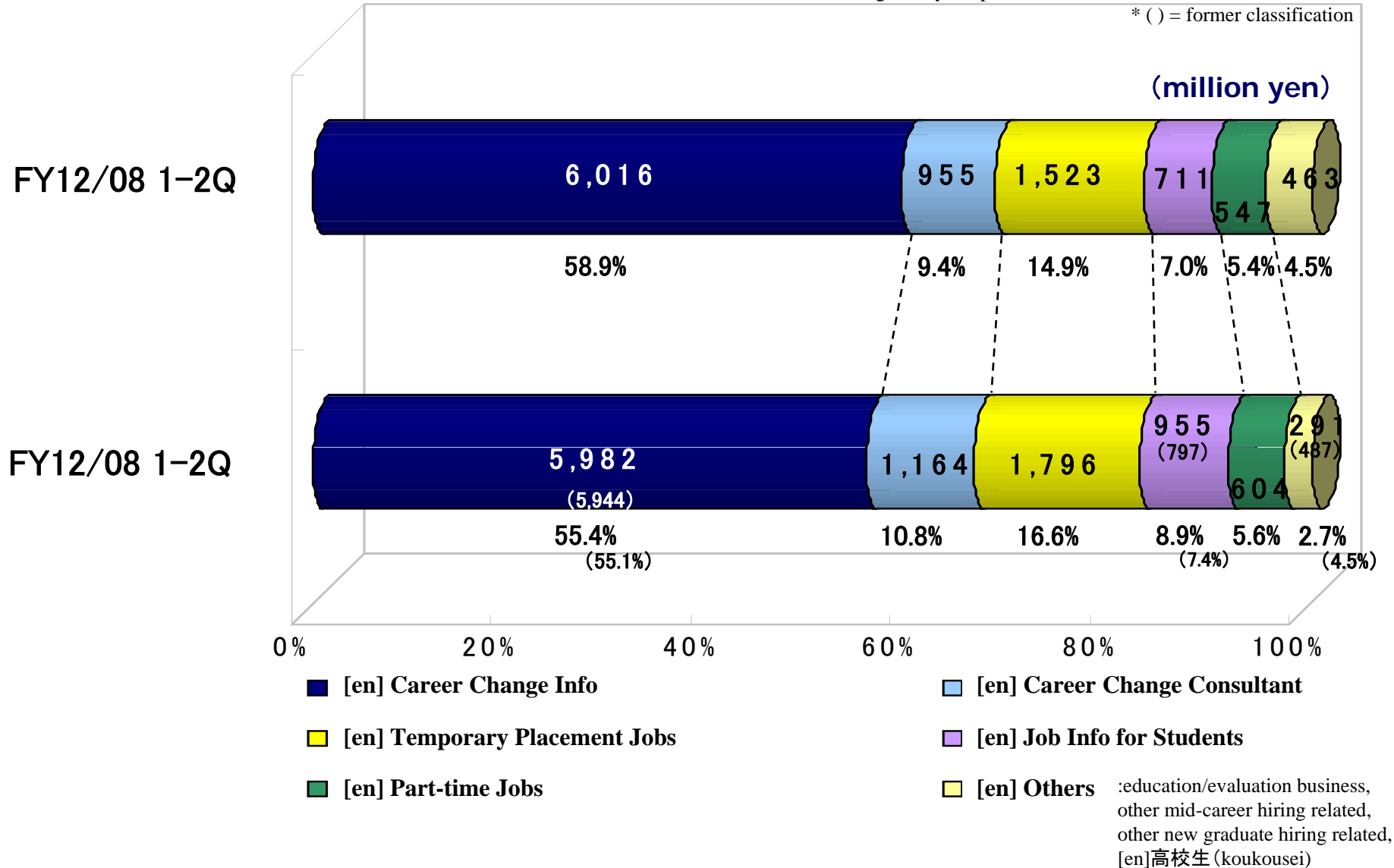


# Sales Breakdown by Product



2008 figures by the new criteria for the classification of Sales  
2007 figures by the previous criteria for the classification of Sales

\* ( ) = former classification



# **FY12/08 Interim Period**

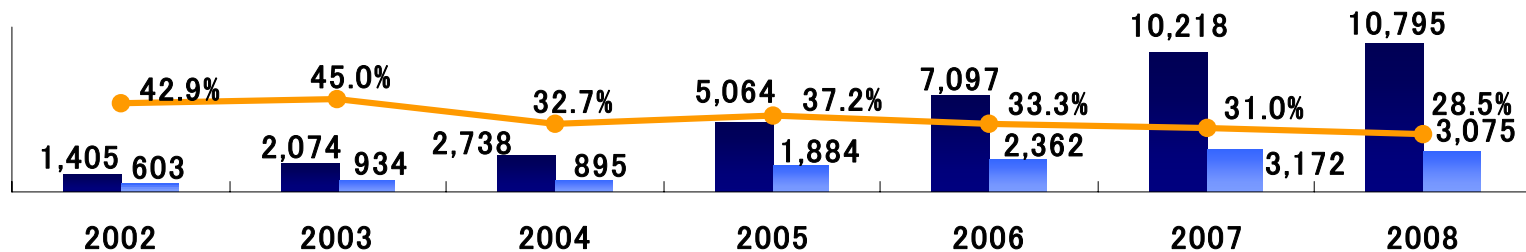
## **Summary of Segment Information**



# FY12/08 Interim Period Term Segment Performance

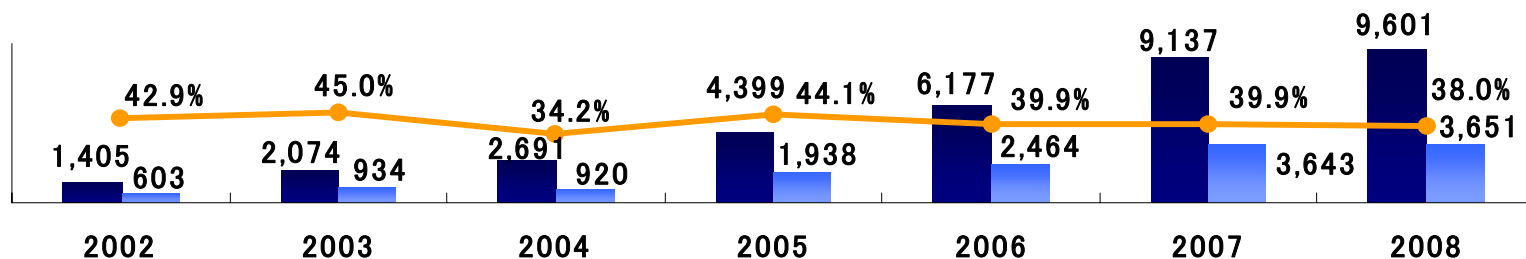


## Company-wide



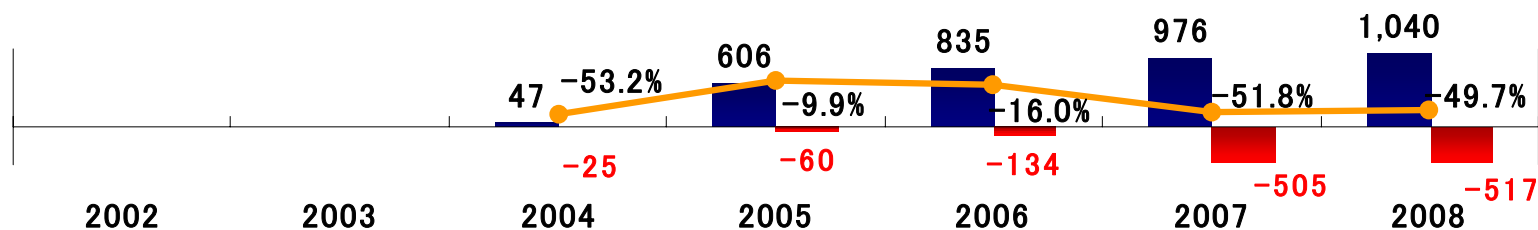
Net Sales  
(million yen)

## Mid-career hiring business



Ordinary  
Income  
(million yen)

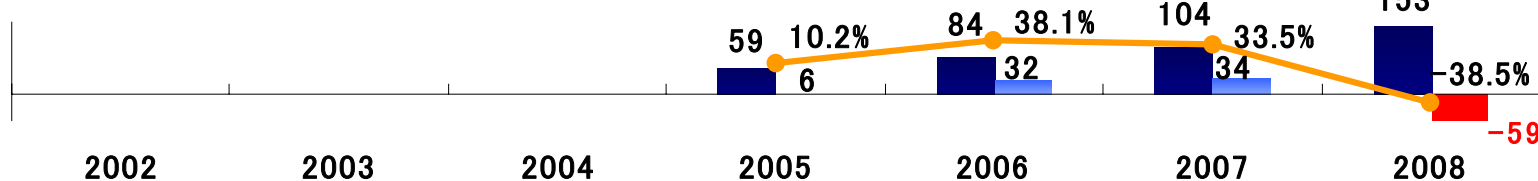
## New graduate hiring business



Ordinary  
Income Rate

## Education/Evaluation business

※Including [en]高校生(koukousei) in FY12/08



# FY12/08 Term Income Statement –Mid-Career Hiring Business



	FY2007 (07.Jan-Jun)			FY2008 (08.Jan-Jun)			
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change	
Net Sales	9,137	100.0%	47.9%	9,601	100.0%	5.1%	<p>※( ) is comparison by the former classification</p> <p>〈Sales: +¥463mn〉</p> <ul style="list-style-type: none"> <li>•en Career Change Info : (Δ+¥72mn)</li> <li>•en Career Change Consultant : +¥209mn</li> <li>•en Temporary Placement Info : +¥273mn</li> <li>•en Part-Time Jobs : +¥56mn</li> </ul>
Cost of Sales	603	6.6%	31.5%	696	7.3%	15.3%	
Gross Profit	8,533	93.4%	49.2%	8,905	92.7%	4.4%	
SGA(Sales, general & administrative)	4,914	53.8%	51.7%	5,239	54.6%	6.6%	<p>〈CGS: +¥92mn〉</p> <p>depreciation from site renewals+¥69mn、Increased personnel expenses +¥23mn、consignment costs +¥26mn</p>
Personnel	1,448	15.9%	48.5%	1,751	18.2%	20.9%	<p>〈Personnel expenses : +¥302mn〉</p> <p>Increased personnel expenses due to business expansion.</p>
Advertising, sales promotion	2,574	28.2%	54.4%	2,561	26.7%	-0.5%	
Other	891	9.8%	49.5%	927	9.7%	4.0%	
Operating income	3,618	39.6%	46.0%	3,665	38.2%	1.3%	
Ordinary income	3,643	39.9%	48.0%	3,651	38.0%	0.2%	

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

# FY12/08 Term Income Statement –New Graduate Hiring Business



	FY2007 (07.Jan-Jun)			FY2008 (08.Jan-Jun)			
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change	※( ) is comparison by the former classification
<b>Net Sales</b>	<b>976</b>	100.0%	17.1%	<b>1,040</b>	100.0%	6.5%	<b>&lt;Sales: +¥63mn&gt;</b> •Site Sales: (+¥86mn) •Related Sales: (△¥22mn)
<b>Cost of Sales</b>	<b>369</b>	37.8%	73.9%	<b>343</b>	33.1%	-6.8%	
<b>Gross Profit</b>	<b>607</b>	62.2%	-2.3%	<b>696</b>	66.9%	14.6%	<b>&lt;CGS: △¥25mn&gt;</b> Depreciation from site development: +¥9mn, event costs: △¥45mn
<b>SGA</b> (Sales, general & administrative)	<b>1,113</b>	114.0%	47.5%	<b>1,213</b>	116.7%	9.0%	
<b>Personnel</b>	<b>498</b>	51.0%	26.1%	<b>594</b>	57.1%	19.2%	<b>&lt;Personnel expenses: +¥95mn&gt;</b>
<b>Advertising, sales promotion</b>	<b>332</b>	34.1%	79.9%	<b>330</b>	31.8%	-0.7%	
<b>Other</b>	<b>281</b>	28.9%	61.6%	<b>289</b>	27.8%	2.5%	
<b>Operating income</b>	<b>-505</b>	-51.8%	-	<b>-517</b>	-49.7%	-	
<b>Ordinary income</b>	<b>-505</b>	-51.8%	-	<b>-517</b>	-49.7%	-	

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

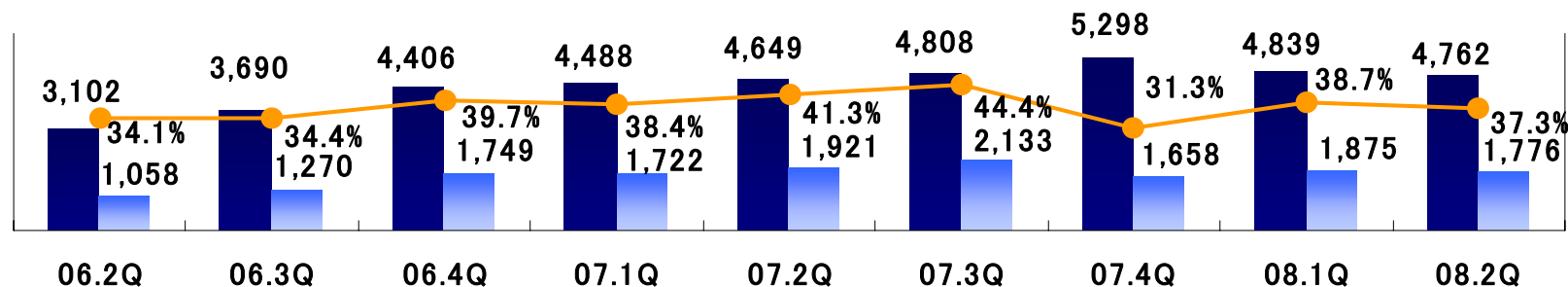
※Including [en]高校生(koukousei) in FY12/08

	FY2007 (07.Jan-Jun)			FY2008 (08.Jan-Jun)		
	(million yen)	% of sales	% YOY change	(million yen)	% of sales	% YOY change
<b>Net Sales</b>	<b>104</b>	100.0%	22.6%	<b>153</b>	100.0%	47.9%
<b>Cost of Sales</b>	<b>10</b>	10.5%	17.3%	<b>39</b>	25.8%	262.1%
<b>Gross Profit</b>	<b>93</b>	89.5%	23.2%	<b>114</b>	74.2%	22.6%
<b>SGA</b> (Sales, general & administrative)	<b>58</b>	56.0%	35.3%	<b>173</b>	112.7%	197.8%
Personnel	<b>38</b>	36.9%	18.6%	<b>88</b>	57.6%	130.8%
Advertising, sales promotion	<b>0</b>	0.0%	—	<b>37</b>	24.4%	—
Other	<b>19</b>	19.0%	86.6%	<b>47</b>	30.7%	138.6%
<b>Operating income</b>	<b>34</b>	33.5%	7.3%	<b>-59</b>	-38.5%	—
<b>Ordinary income</b>	<b>34</b>	33.5%	7.3%	<b>-59</b>	-38.5%	—

# Transition of Quarter Segment Performance

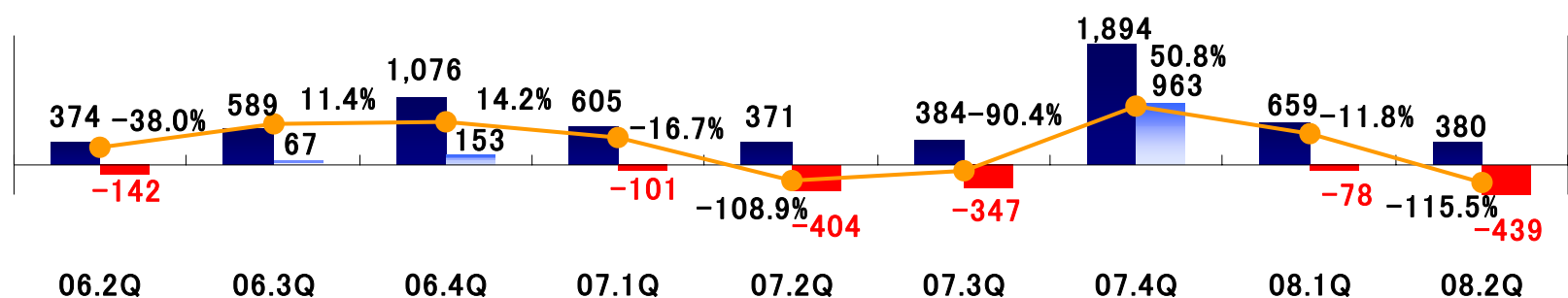


## Mid-career hiring business



Net Sales  
(million yen)

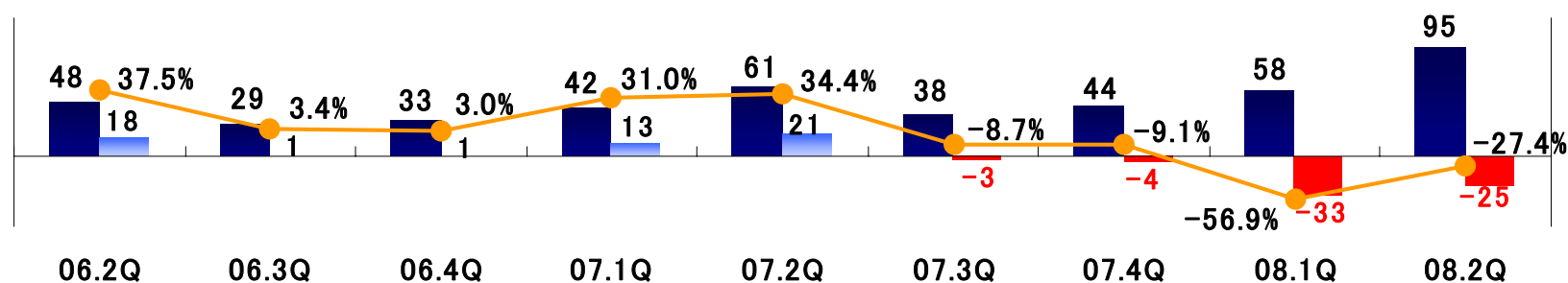
## New graduate hiring business



Ordinary  
Income  
(million yen)

## Education/ Evaluation business

※Including [en]高校生(koukousei) in FY12/08



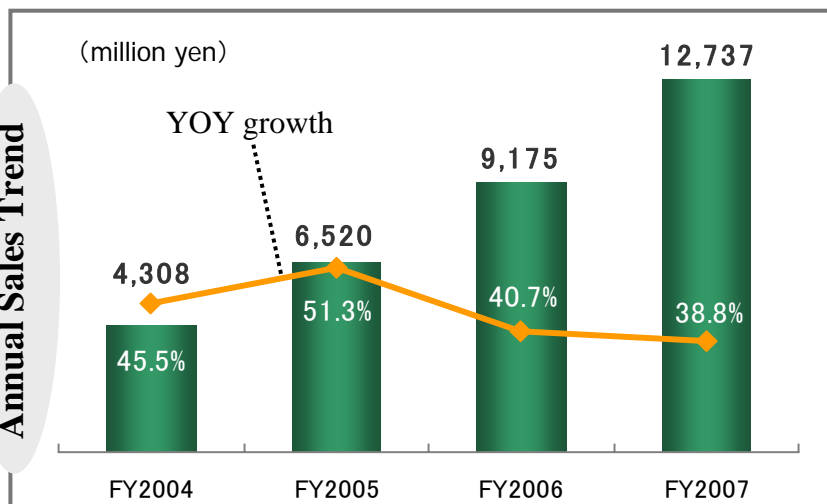
Ordinary  
Income Rate

**FY12/08**

**Interim Period**

**Summary of Site Information**

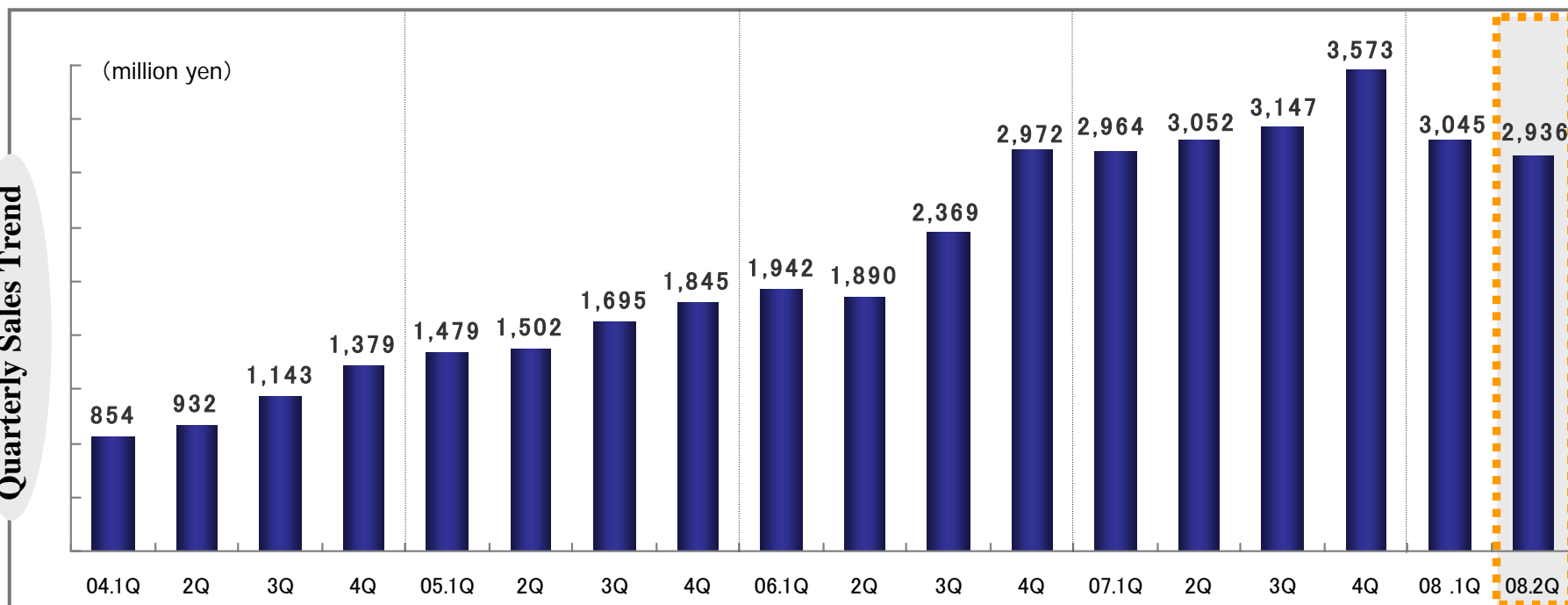
Annual Sales Trend



- Achieved sales in Q2 of ¥2.93bn, <sup>\*</sup>down ¥135mn or 4.4% year-on-year.
- Job seeking registered users rose to 2.19million as of the end of June.
- Customer satisfaction levels remained high.  
Corporate client satisfaction of 93.2% (June survey)  
Job seeker satisfaction of 97.2% (June survey)
- “[en] Career Change Info Mobile “ Released on May 26.

\* comparison by the former classification

Quarterly Sales Trend



Note : In former classification, sales in 2008.1Q of 3,027mn, sales in 2008.2Q of 2,916mn.

## ~ Survey by Cybozu Media Technology Co.,Ltd ~

Won seven **1<sup>st</sup> Places** among eleven assessments in the survey for workers with experience of job changes and users of career change websites ! Selected as **No.1** career change website among 30 websites in overall rating.

※July 15, 2008 announcement

2006

**1<sup>st</sup> Place Private Sector Site**

(Points)

1	Hello Work Internet Service	91.52
2	[en] Career Change Info	90.05
3	Recruit Navi NEXT	85.91
4	Yahoo! Recruit Navi	71.42
5	Toraba-yu Net	61.40

2007

**1<sup>st</sup> Place Overall,  
Best of 30 Websites**

(Points)

1	[en] Career Change Info	94.27
2	Recruit Navi NEXT	88.72
3	Hello Work Internet Service	86.86
4	Yahoo! Recruit Navi	67.58
5	e-aidem	59.10



2008

**1<sup>st</sup> Place Overall,  
Best of 30 Websites  
in 2 straight years**

(Points)

1	[en] Career Change Info	98.32
2	Recruit Navi NEXT	93.79
3	Hello Work Internet Service	80.48
4	Yahoo! Recruit Navi	65.99
5	MYNAVI Career	62.62

\* Borders Co., Ltd. conducted the survey of workers who changed jobs within the past year did and did not use a website. 1,176 responses.

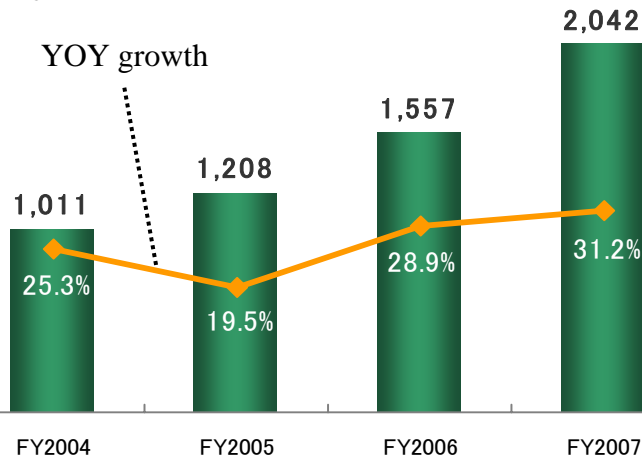
\* This survey is composed of following 11 items.; Brand Awareness, Page View, Utilization Rate upon job hunting, Periodic Utilization Rate, Most Often Visited, Credibility, Quantity of information, User Friendliness, Overall Satisfaction, Repeat Rate, and Effectiveness.

\* Yahoo! Recruit Navi is a job portal site comprised of From A Navi, Shot Works, Recruit Navi Dispatch, Recruit Agent, Recruit Navi New Graduate, Entre Net



## Annual Sales Trend

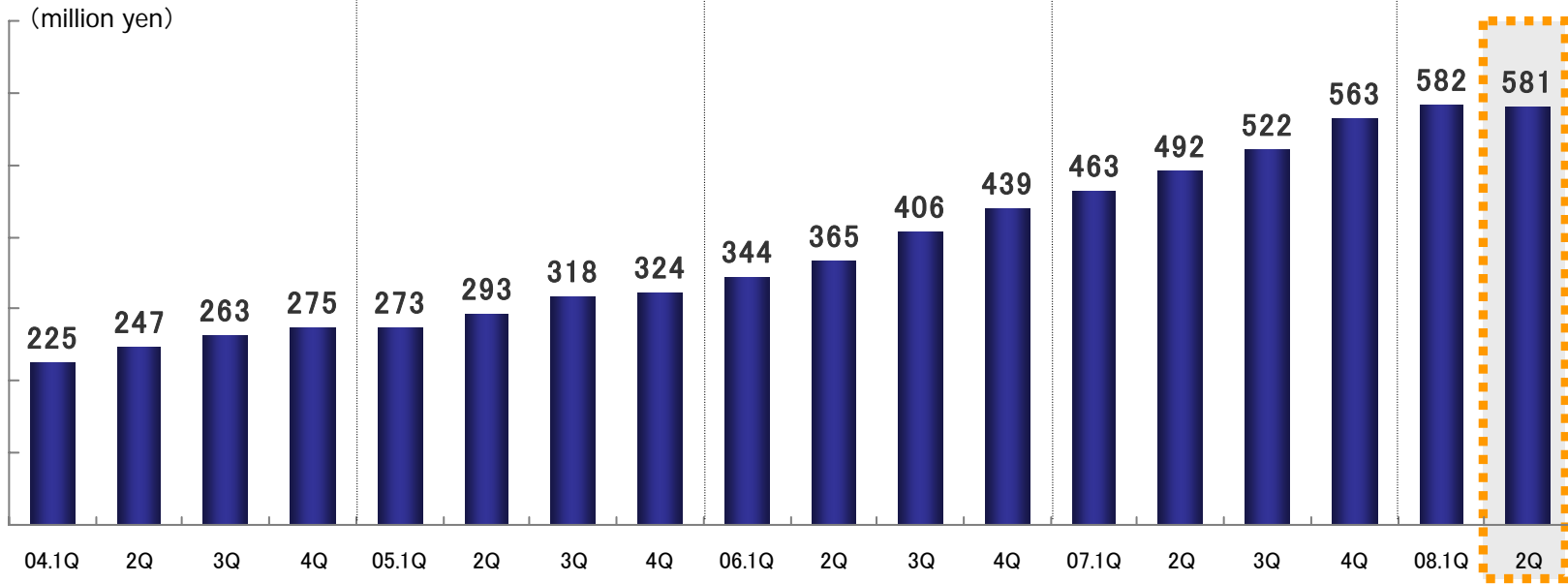
(million yen)



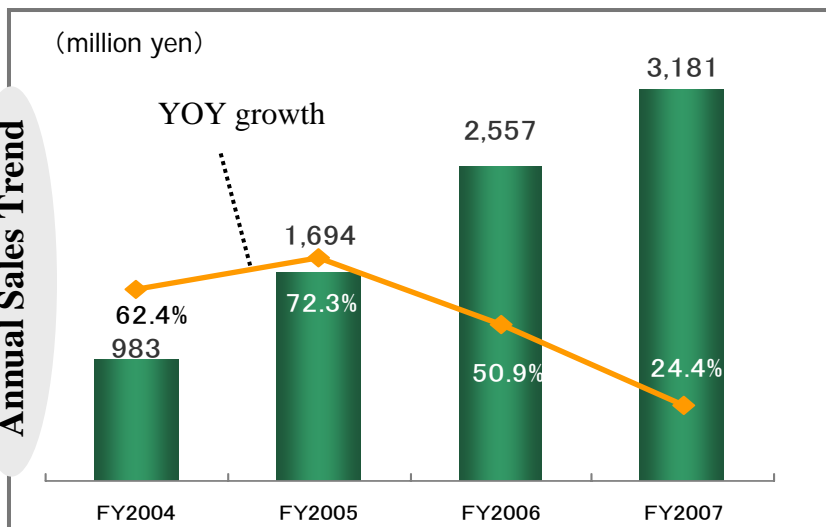
- Achieved sales in Q2 of ¥581mn, up ¥89mn or 18.2% year-on-year.
- Companies listing jobs on our site totaled 385 firms as of the end of June, up 36 companies or 10.3% year-on-year.
- The Number of registered users also expanded steadily to 444,000 as of the end of June, up 82,000 or 22.9% year-on-year.

## Quarterly Sales Trend

(million yen)

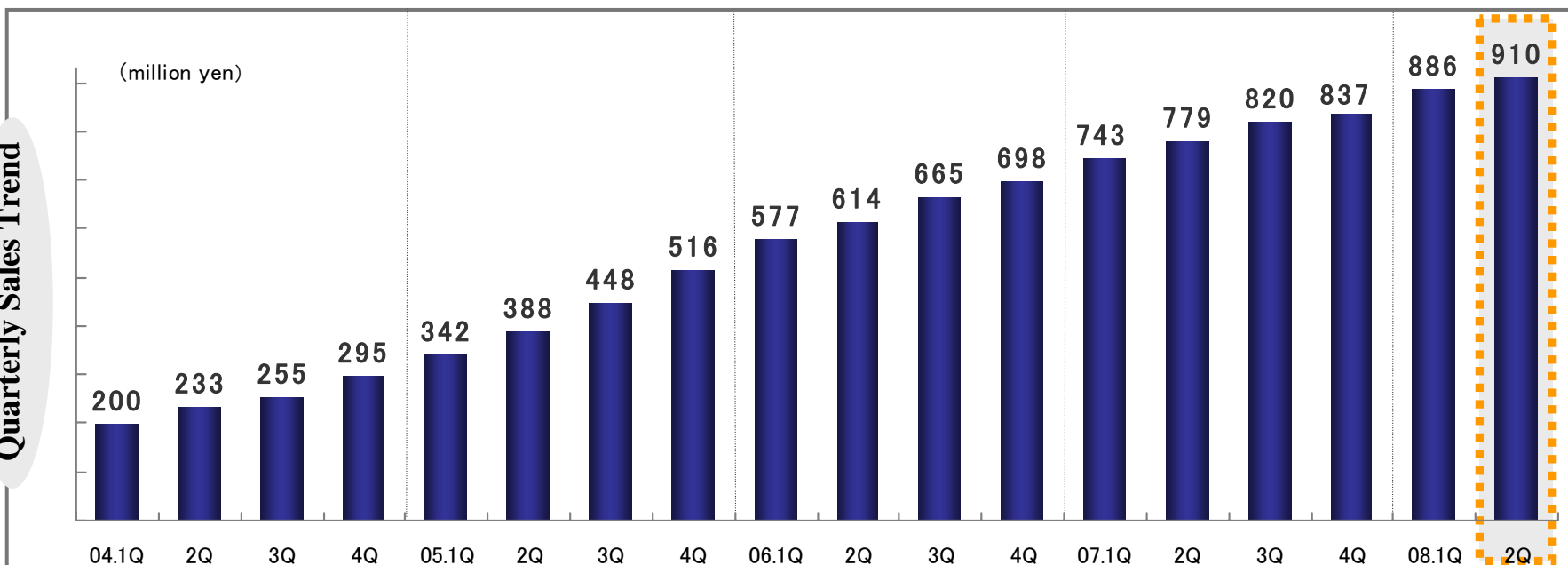


Annual Sales Trend



- Achieved record high sales in Q4 of ¥910mn, up ¥130mn or 16.7% year-on-year.
- The number of listing companies grew steadily, reaching 649 companies as of Jun. 30. Up 61 companies or 10.4% year-on-year.
- The amount of order from large companies spread by a site renewal that contributes sales increase.
- The Number of registered users also expanded steadily to 490,000 as of the end of June, up 103,000 or 26.8% year-on-year. The number of the total application to same period of the previous year ratio 1.47 times.

Quarterly Sales Trend



## ~ Interwired Inc. Survey ~

Selected as **No.1** as to User Satisfaction

in the part time worker survey 3times in a row. ※July 24, 2008 announcement

2005

1<sup>st</sup> Place Overall ,

Best of 28 Websites in user's satisfaction  
(points)

1	[en] Temporary Placement Info	14.1
2	Recruit Navi Dispatch	7.0
3	Pasona	3.8
4	Recruit staffing	2.8
5	jobcheckit ! (tempstaff)	2.7

2006

1<sup>st</sup> Place Overall ,

Best of 28 Websites in user's satisfaction  
(points)

1	[en] Temporary Placement Info	13.7
2	Recruit Navi Dispatch	6.3
3	Yahoo! Recruit Navi	3.7
4	Toraba-yu Net	2.4
5	Hatarako net	2.1



2008

1<sup>st</sup> Place Overall ,

Best of 28 Websites in user's satisfaction  
consecutively in three times.

(points)

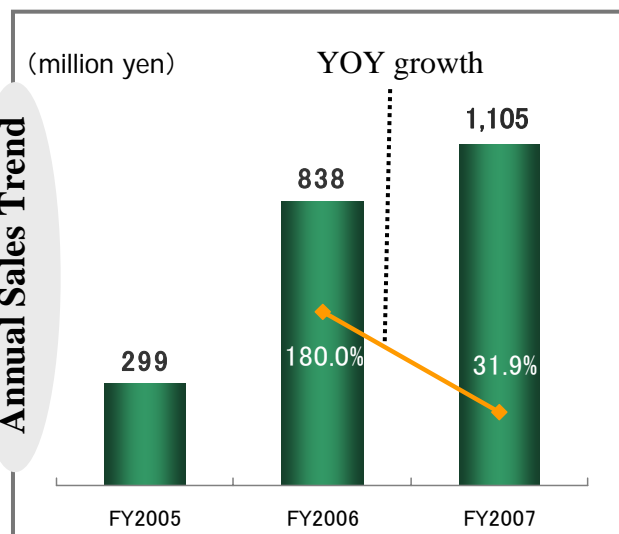
1	[en] Temporary Placement Info	12.4
2	Recruit Navi Dispatch	7.9
3	e-aidem	3.6
4	Adecco	2.7
	Hatarako net	2.7

Chosen as the No.1 in following items.;

Page View, Frequency, Entry Rate, Registration Rate, Achievement Rate, Repeat Rate

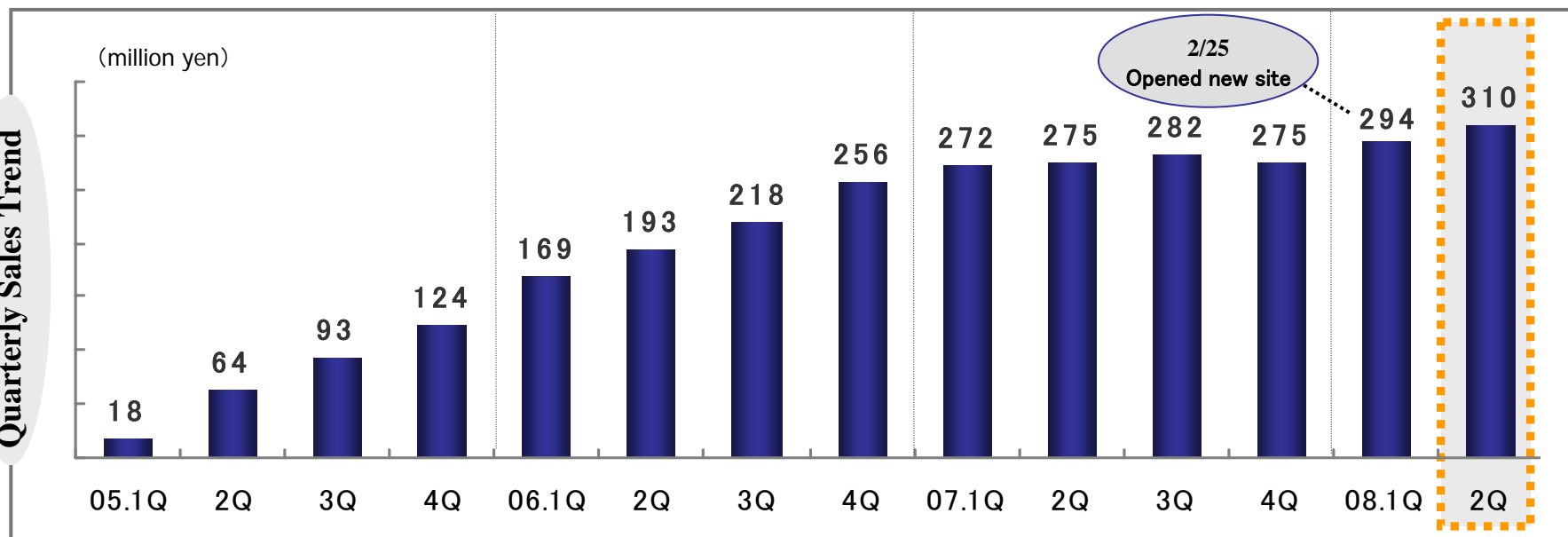
※Interwired Inc.Survey : conducted a survey of 2,090 site users

Annual Sales Trend



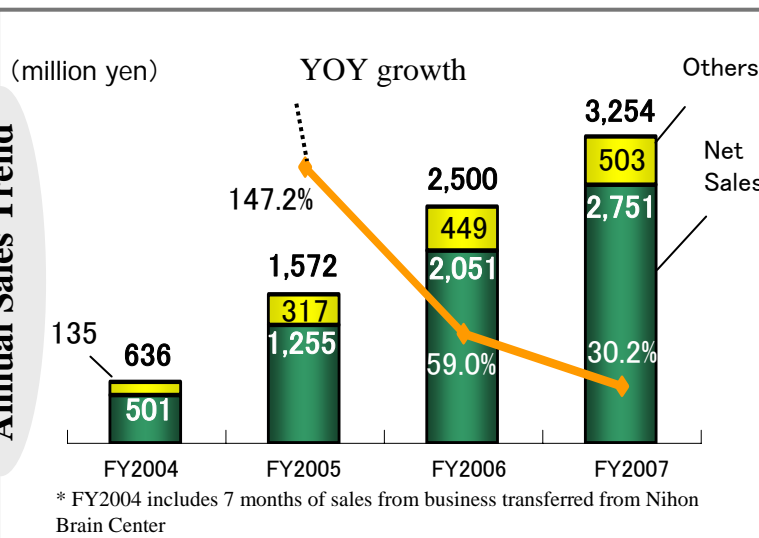
- Achieved sales in Q1 of ¥310mn, up ¥34mn or 12.6% year-on-year.
- Effective promotions lead the increase of the user registrations by 248,000 at the end of June. The number of the user registrations increased by 89,000 year-on-year.
- Effectiveness for employment activities has been quite well after the site open. The total number of applicants is 2.1 times as many as the last year due to its effectiveness.
- Applications from the mobile site are 3.1 times greater than the same period in the previous year.

Quarterly Sales Trend



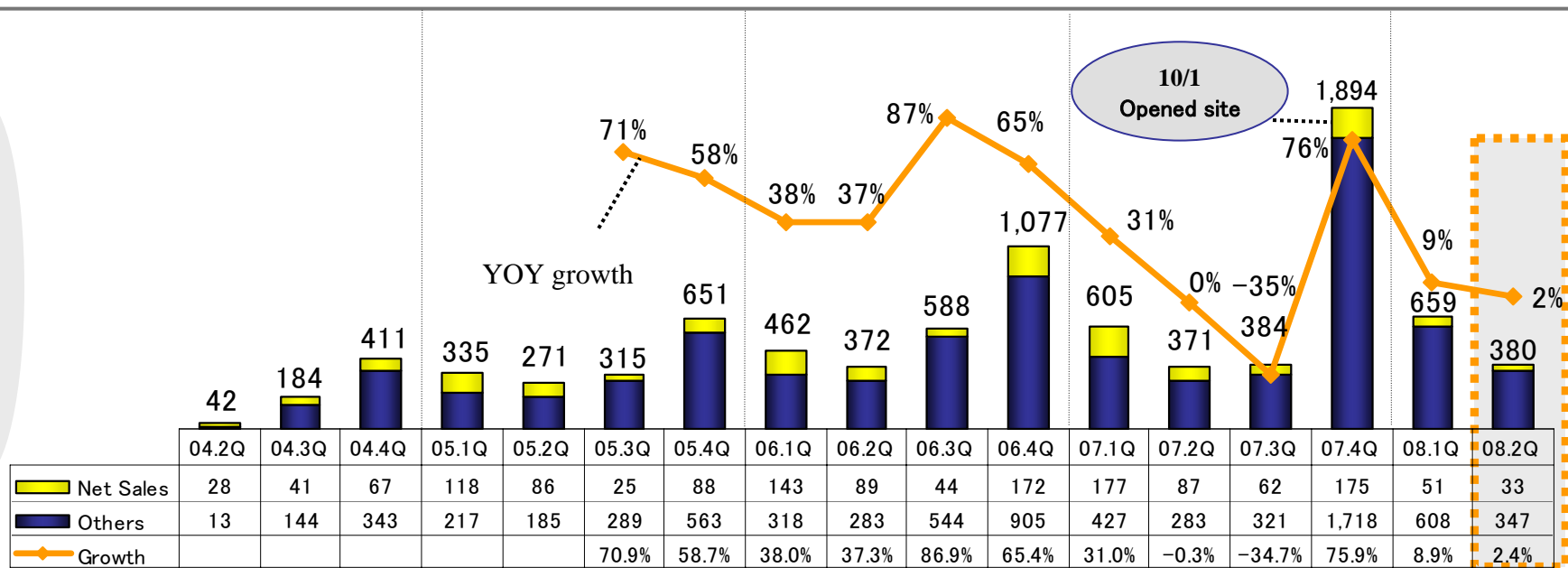
Note: As for the sales amount after 08.1Q, it is added up General Part-Time Employment Info Site and Site for part-time jobs that offer the potential to be hired as full-time employees.

## Annual Sales Trend



- Achieved sales in Q2 of ¥380mn, up ¥9mn or ( 2.4%) year-on-year.
- Number of corporate clients listing jobs on our site opened in October 2007 rose to 1,984 as of June 30. Increased by 339 companies or 20.6 % year-on-year.
- 6,635 students participated in our Internship Conference held on June 1st. The number of attendees increased by 59% compared with the one in the last year.
- Started sales activities earlier for October 2008 open site.

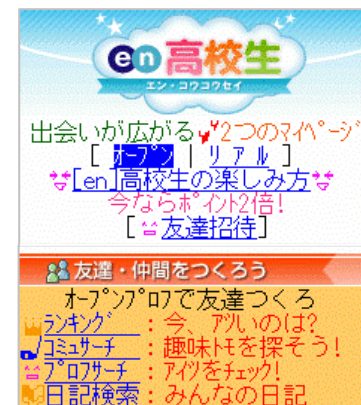
## Quarterly Sales Trend



Note: In former classification, sales amount of 2008.1Q others 158mn, site 501mn,  
 — 21 —  
 2008.2Q others 84mn,site 296mn.

## [en]高校生(koukousei)

- The number of registered users was 22,000 as of the end of June.  
The strict admission made its growth pace slower than expected, but the number of the registrations is 2.6 times as many as the one at the end of March.
- The number of PV grew steadily and broke through 10,000,000 PV per month average in May.  
PV rose at a pace exceeding the pace of the increase of the new registrations.  
Continuous efforts on increasing the active users.
- Conducted the survey on the attitudes of high school students.  
Conduct the survey on higher education based of the database of en koukousei.  
Planning to provide business organizations with the survey data. Accumulate this type of survey result for the enhancement of our database quality.



## VC business

Ring fence the investment having the synergy with our main business.

- Investment Frame in FY2008 (Original plan)  
¥300mn (MAX)
- New Investment in 2Q  
Companies: 0

## China business

### ● FY2008 Interim Period actual results

Sales: 10.98mn yuan (¥170mn) Up50.8% year-on-year

Ordinary Income: 1.43mn (¥22mn) Up285% year-on-year

### ● FY2008 Projection

Sales: 25mn yuan (¥350mn)

Ordinary income: 2.5mn yuan (¥35mn)

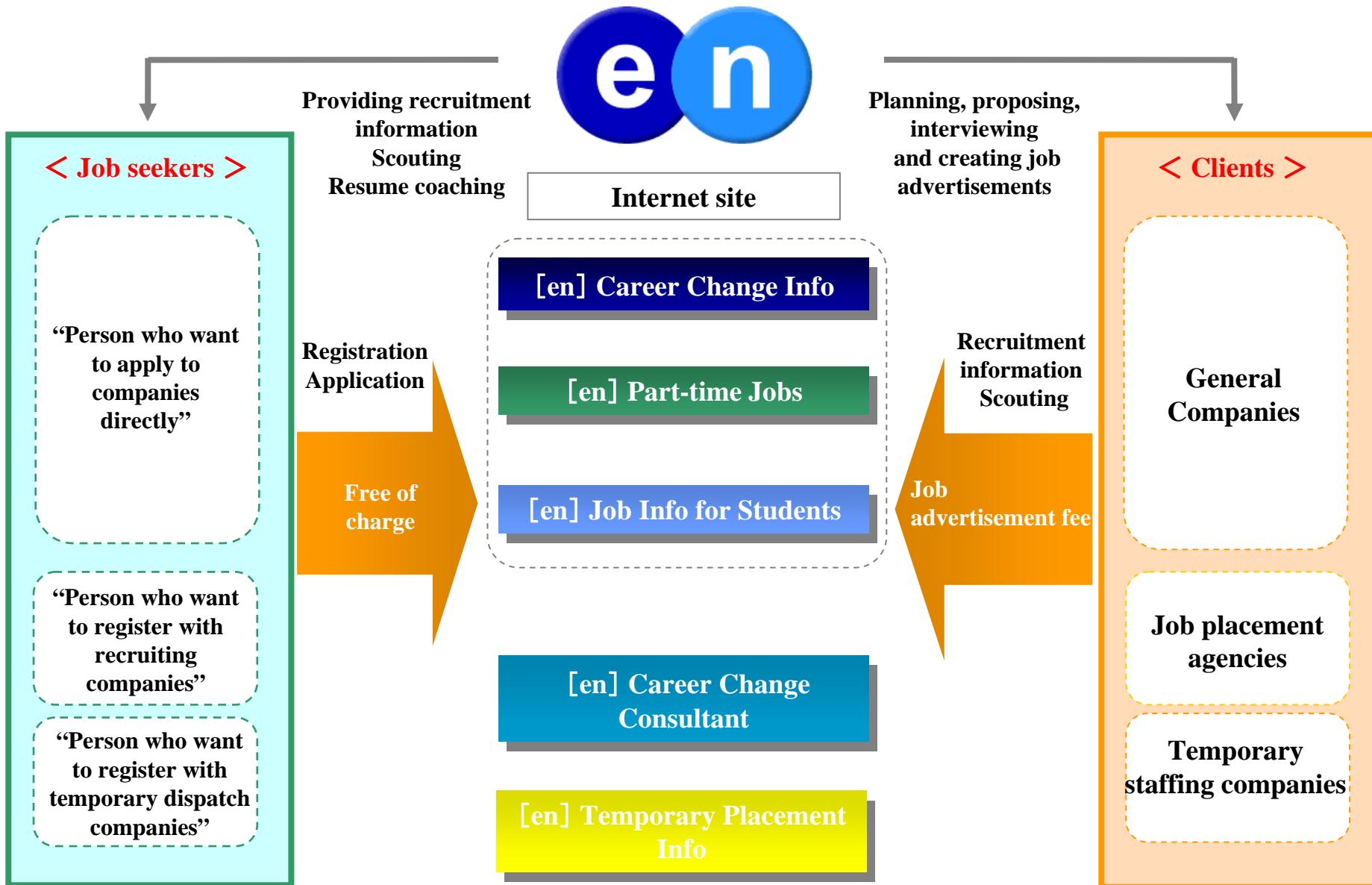
- Depression of the hiring interest accompanied by the recession
- Fiercer Competition with the deceleration of the growth in the recruiting advertisement market
- Delay in Enhancement of Sales Organization and Development of Human Resources

## Appendix

---



<b>【 Name 】</b>	<b>en-japan inc.</b>
<b>【 Establishment 】</b>	<b>January 14, 2000</b>
<b>【 Representative 】</b>	<b>Michikatsu Ochi (Chairman) ／ Takatsugu Suzuki ( President &amp; CEO )</b>
<b>【 Headquarters 】</b>	<b>Shinjuku I-land Tower, 6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo</b>
<b>【 Total Stockholder's Equity 】</b>	<b>JPY 9,613 million (as of end of Jun 2008)</b>
<b>【Stock Listing 】</b>	<b>Nippon New Market “Hercules”</b>
<b>【Fiscal Year 】</b>	<b>January 1 – December 31</b>
<b>【 Number of Employees 】</b>	<b>1,171 (as of end of Jun 2008)</b>
<b>【 Number of Outstanding Shares】</b>	<b>243,050 (as of end of Jun 2008)</b>
<b>【 Business Description 】</b>	<b>(1) Internet job recruitment service</b> <b>(2) Consultation on recruitment, employee education and personnel evaluation system</b>



# 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	56%	Site for Comprehensive Career Change Info	<a href="#">No.2 in industry</a> <ul style="list-style-type: none"> <li>All information is provided through our reporting and photographing of each company</li> <li>Straightforward,detailed Career Change Info from perspective of job seekers</li> <li>All information has video(only en-japan)</li> </ul>	<ul style="list-style-type: none"> <li>70% are in their 20s-mid-30s</li> <li>70% are male</li> <li>All occupations</li> </ul>	General Companies
	[en] Career Change Consultant [en]転職コンサルタント	9%	Collective site for job placement agencies	<a href="#">No.1 in industry</a> <ul style="list-style-type: none"> <li>Information on job placement agencies and their Career Change Info</li> <li>5-level evaluation of job placement agencies(first in industry)</li> <li>High End Job Corner opened</li> </ul>	<ul style="list-style-type: none"> <li>60% are in their late 26-40</li> <li>80% are male</li> </ul>	Job placement agencies
	[en]Temporary Placement Info [en]派遣のお仕事情報	14%	Collective site for temporary staffing companies	<a href="#">No.2 in industry</a> <ul style="list-style-type: none"> <li>Temporary staffing company information and their Career Change Info</li> <li>Unique search category “Insistence INDEX”</li> </ul>	<ul style="list-style-type: none"> <li>70% are in their 20s-mid 30s</li> <li>80% are female</li> </ul>	Temporary staffing companies
	[en]Part-time Jobs Plus [en]本気のアルバイト	5%	Site for Comprehensive Part-time worker Career Change Info	<a href="#">General Part-Time Employment Info Site (2/25 Open!)</a> <ul style="list-style-type: none"> <li>First Membership Part-Time employment site in the industry</li> <li>Companies award points based on work performance</li> <li>Mini-bonuses awarded based on points earned</li> </ul> <hr/> <a href="#">Site for part-time jobs that offer the potential to be hired as full-time employees [Goal! Full-time Employee]</a> <ul style="list-style-type: none"> <li>#1 site in part-time Career Change Info Volume with unique content</li> <li>Clear merits from potential of full-time employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>High school student</li> <li>University students</li> </ul> <hr/> <ul style="list-style-type: none"> <li>80% are in their 20s-mid 30s</li> <li>50% are Part-timers and NEETs</li> </ul>	contractor Temporary staffing companies General Companies  General Companies
New-Graduate Business	[en]Job Info for Students [en]学生の就職情報	12%	Site for student employment information	<a href="#">Unique job and company research type-site</a> <ul style="list-style-type: none"> <li>Largest Japanese site with largest volume and highest quality of job information</li> <li>Same characteristics as [en]Career Change Info</li> <li>“Professional Work Research,”a unique service of en-japan</li> </ul>	<ul style="list-style-type: none"> <li>University students</li> <li>Graduate students</li> </ul>	General Companies



**■ en-japan inc. IR Administration Office**

**TEL:03-3342-4506 Mail: [ir-en@en-japan.com](mailto:ir-en@en-japan.com) URL:<http://corp.en-japan.com>**

**Cautionary Statement**

This material is for informational purpose only. You are fully responsible for the final decision to invest in the company. The statements included in these documents that are not historical facts are forward-looking statements which reflect management's current views with respect to certain future events and financial performance of the company. The company makes no guarantee or promise as to the accuracy or completeness of the information provided here and shall not be liable for any errors or delays in the content, or for any actions taken in reliance thereon. The content is subject to change without notice hereon.