

FY12/09

1st Quarter Earnings Review



May 13th, 2009

en-japan Inc.

| | | |
|---|---|----|
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FY12/09 1st Quarter

Operating Results Summary

Operating Results Highlights

<Market environment> Company willingness to hire either new graduates or career change workers declined, and employment conditions deteriorated significantly.

<Net sales> 1st Quarter: ¥2.96 billion (-46.7%)
Sales for all job advertising sites declined. The drop in our core business at [en] Career Change Info, which fell 64.3% year-on-year, was especially steep.

<Ordinary income> 1st Quarter: ¥180 million (-89.4%)
Despite reductions in spending, the large decline in revenues resulted in lower earnings.

※() is YOY

Topics After 1st Quarter

➤ **Business alliance with REVIC Global Co., Ltd.**

In addition to conventional two-way group training, the alliance will enable us to provide “e-learning for prospective employees” to new hires

➤ **Investment in Relo Holdings, Inc.**

The investment is aimed at expanding our service lineup by building a mutual cooperative relationship from a sales perspective.

➤ **China business** Sales: 4.058mn yuan (¥58million) Down 26.7% yoy

Ordinary Income: 0.247mn yuan (¥3million) Down 68.7% yoy

※The exchange rate of 3/31 2009 points in time: I calculate for 1 yuan = 14.36 yen

➤ **Revised interim and full year outlook downward (See page 14 for details)**

FY12/09 1st Quarter Income Statement (Companywide)

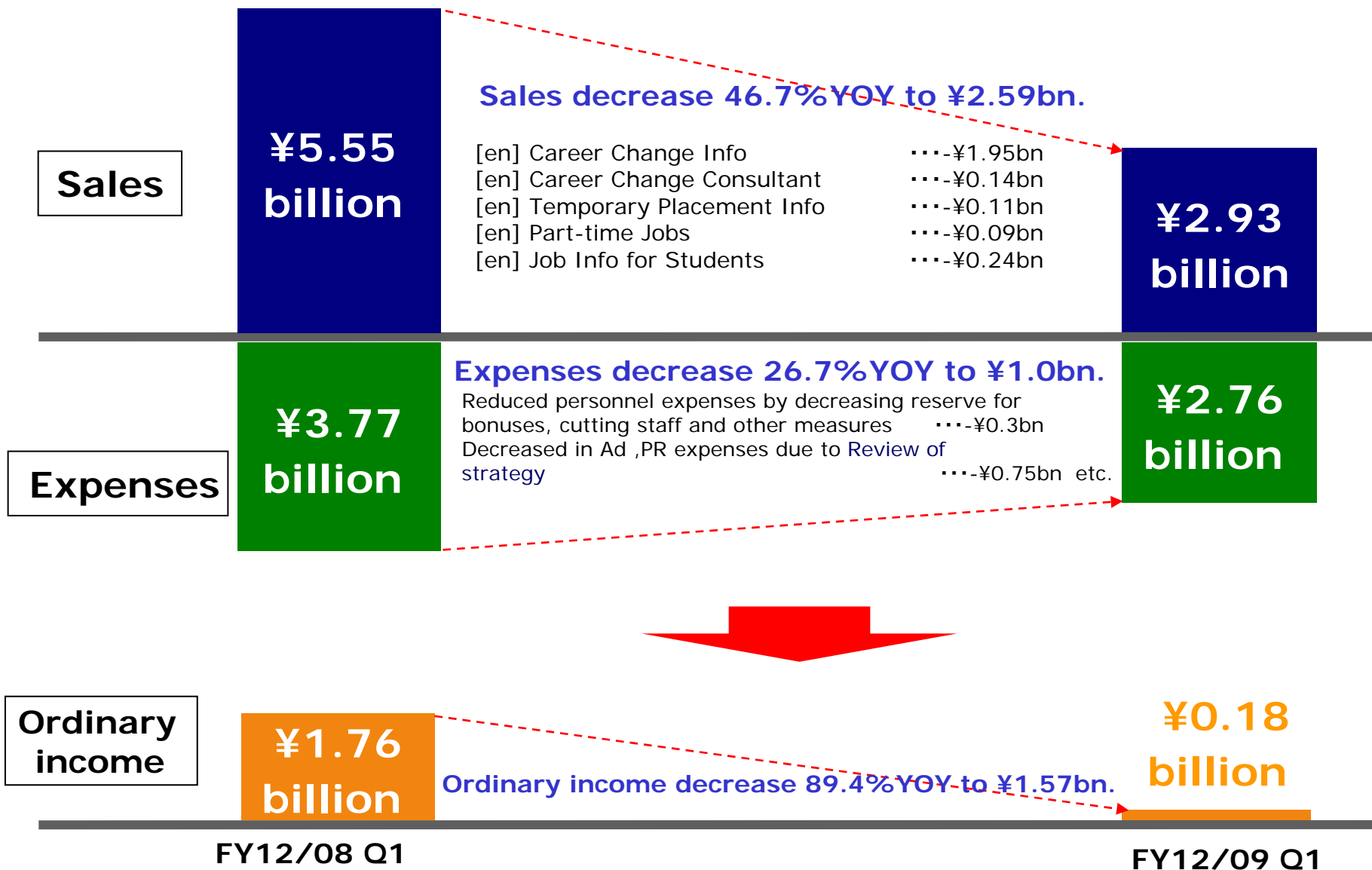


| | FY2008 (08.Jan-Mar) | | | FY2009 (09.Jan-Mar) | | |
|--|------------------------|------------|--------------|------------------------|------------|--------------|
| | (million yen) | % of sales | % YOY change | (million yen) | % of sales | % YOY change |
| Net Sales | 5,557 | 100.0% | 8.2% | 2,963 | 100.0% | -46.7% |
| Cost of Sales | 557 | 10.0% | 24.9% | 548 | 18.5% | -1.5% |
| Personnel | 191 | 3.4% | 16.4% | 136 | 4.6% | -28.6% |
| Other | 365 | 6.6% | 29.8% | 412 | 13.9% | 12.7% |
| Gross Profit | 5,000 | 90.0% | 6.6% | 2,414 | 81.5% | -51.7% |
| SGA (Sales, general & administrative) | 3,217 | 57.9% | 5.1% | 2,216 | 74.8% | -31.1% |
| Personnel | 1,167 | 21.0% | 35.6% | 918 | 31.0% | -21.3% |
| Advertising, sales promotion | 1,449 | 26.1% | -10.7% | 696 | 23.5% | -51.9% |
| Other | 600 | 10.8% | 4.0% | 601 | 20.3% | 0.1% |
| Operating income | 1,782 | 32.1% | 9.5% | 197 | 6.7% | -88.9% |
| Ordinary income | 1,763 | 31.7% | 7.9% | 186 | 6.3% | -89.4% |
| Net income | 998 | 18.0% | 10.0% | 110 | 3.7% | -89.0% |

FY12/09 Q1 Operating Results Changing Factor (Companywide)



(Yen)



| | FY2008 (08.Jan-Mar) | | | FY2009 (09.Jan-Mar) | | |
|--|------------------------|------------|--------------|------------------------|------------|--------------|
| | (million yen) | % of sales | % YOY change | (million yen) | % of sales | % YOY change |
| Net Sales | 4,839 | 100.0% | 7.8% | 2,519 | 100.0% | -47.9% |
| Cost of Sales | 339 | 7.0% | 32.3% | 279 | 11.1% | -17.5% |
| Gross Profit | 4,500 | 93.0% | 6.3% | 2,239 | 88.9% | -50.2% |
| SGA (Sales, general & administrative) | 2,605 | 53.8% | 3.6% | 1,760 | 69.9% | -32.5% |
| Personnel | 833 | 17.2% | 34.3% | 676 | 26.9% | -18.8% |
| Advertising, sales promotion | 1,332 | 27.5% | -8.8% | 634 | 25.2% | -52.3% |
| Other | 439 | 9.1% | 1.2% | 448 | 17.8% | 2.0% |
| Operating income | 1,894 | 39.1% | 10.4% | 479 | 19.0% | -74.7% |

◆ 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

| | FY2008 (08.Jan-Mar) | | | FY2009 (09.Jan-Mar) | | |
|--|------------------------|------------|--------------|------------------------|------------|--------------|
| | (million yen) | % of sales | % YOY change | (million yen) | % of sales | % YOY change |
| Net Sales | 659 | 100.0% | 9.0% | 407 | 100.0% | -38.2% |
| Cost of Sales | 200 | 30.4% | 8.0% | 263 | 64.8% | 31.6% |
| Gross Profit | 458 | 69.6% | 9.4% | 143 | 35.2% | -68.7% |
| SGA (Sales, general & administrative) | 536 | 81.4% | 3.1% | 417 | 102.5% | -22.2% |
| Personnel | 290 | 44.0% | 29.3% | 219 | 53.8% | -24.5% |
| Advertising, sales promotion | 108 | 16.4% | -33.1% | 61 | 15.1% | -43.3% |
| Other | 138 | 21.0% | 2.9% | 137 | 33.7% | -0.9% |
| Operating income | -78 | -11.8% | — | -274 | -67.3% | — |

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

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

| | FY2008 (08.Jan-Mar) | | | FY2009 (09.Jan-Mar) | | |
|--|------------------------|------------|--------------|------------------------|------------|--------------|
| | (million yen) | % of sales | % YOY change | (million yen) | % of sales | % YOY change |
| Net Sales | 58 | 100.0% | 39.3% | 36 | 100.0% | -37.2% |
| Cost of Sales | 17 | 29.9% | 309.1% | 5 | 14.4% | -69.7% |
| Gross Profit | 41 | 70.1% | 8.7% | 31 | 85.6% | -23.4% |
| SGA (Sales, general & administrative) | 74 | 127.5% | 206.0% | 38 | 104.7% | -48.5% |
| Personnel | 43 | 73.6% | 175.9% | 22 | 60.7% | -48.3% |
| Advertising, sales promotion | 8 | 15.3% | — | 0 | 1.6% | -93.5% |
| Other | 22 | 38.7% | 157.7% | 15 | 42.4% | -31.1% |
| Operating income | -33 | -57.4% | — | -7 | -19.1% | — |

FY12/09

Full year Revised

Operating Results Projections

FY12/09 Full year Operating Results Projections – (companywide)



※ May 8, 2009 announcement

(million yen)

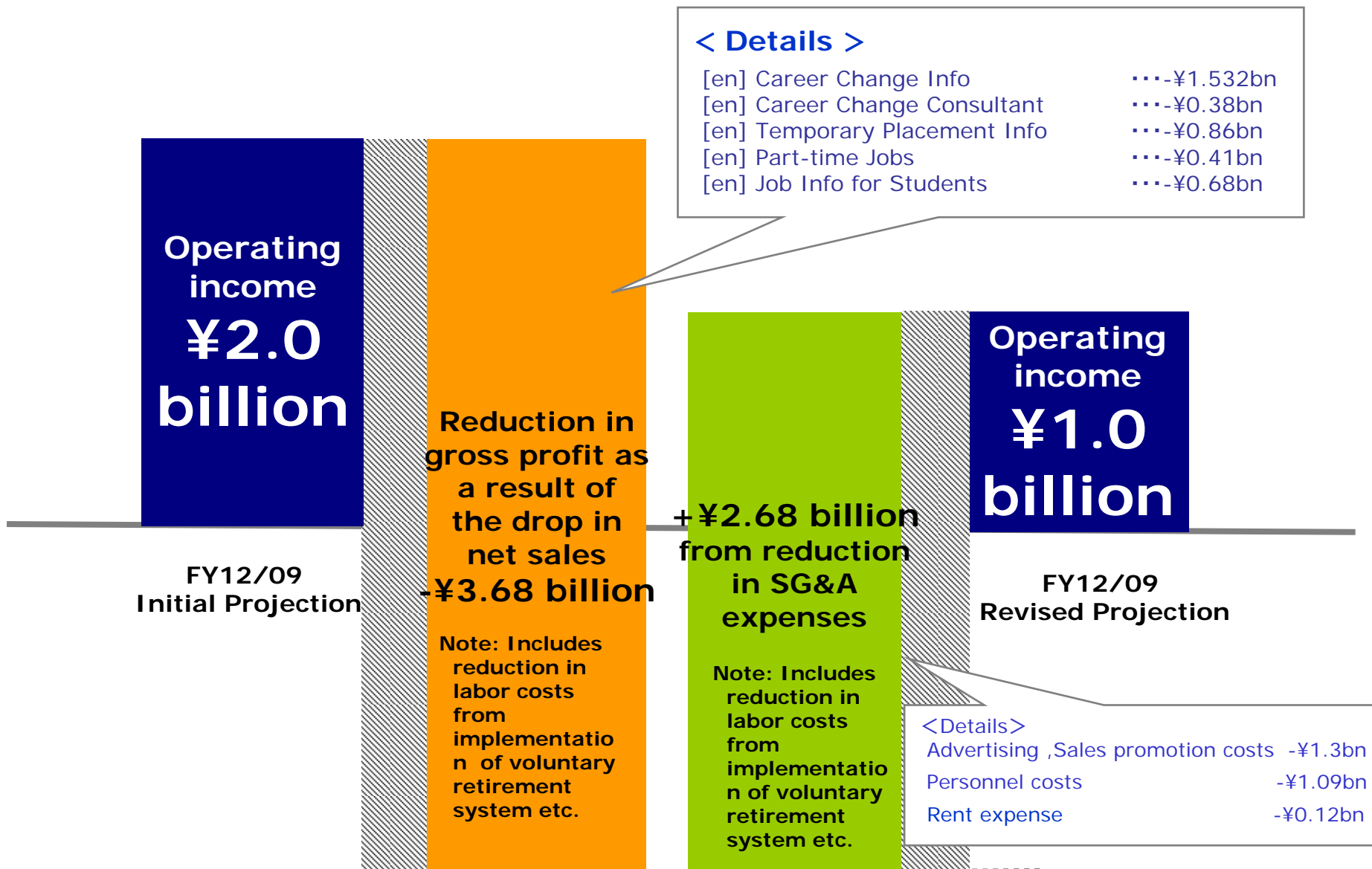
| | FY2009 Revised Projection (A) | FY2009 Initial Projection (B) | Net increase- decrease (A-B) | increase- decrease rate (A/B) | % YOY change |
|---------------------------------------|--|--|---------------------------------------|--|-----------------|
| Net Sales | 10,900 | 14,800 | -3,900 | -26.4% | -48.9% |
| Cost of Sales | 1,873 | 2,088 | -215 | -10.3% | -16.0% |
| Personnel | 403 | 706 | -303 | -42.9% | -50.4% |
| Other | 1,469 | 1,381 | 88 | 6.4% | 3.7% |
| Gross Profit | 9,026 | 12,711 | -3,684 | -29.0% | -52.7% |
| SGA(Sales,general &administrative) | 8,026 | 10,711 | -2,793 | -26.1% | -39.8% |
| Personnel | 3,358 | 4,454 | -1,096 | -24.6% | -31.7% |
| Advertising, sales promotion | 2,281 | 3,588 | -1,307 | -36.4% | -59.5% |
| Other | 2,387 | 2,667 | -280 | -14.6% | -12.5% |
| Operating income | 1,000 | 2,000 | -1,000 | -50.0% | -83.2% |
| Ordinary income | 1,050 | 2,000 | -950 | -47.5% | -82.2% |
| Extra ordinary loss | 522 | 10 | 512 | 5123.4% | -9.3% |
| Net income | 280 | 1,060 | -780 | -73.6% | -90.9% |

Note: Reduction in personnel expenses as a result of voluntary retirements: About ¥1.3 billion

Operating Results variance analysis (companywide)



(Yen)



(million yen)

| Mid Career Hiring Business | | | | | |
|----------------------------|----------------|-------------------------------|-------------------------------|------------------------------|--------------|
| | FY2008 results | FY2009 Revised Projection (A) | FY2009 Initial Projection (B) | increase-decrease rate (A/B) | % YOY Change |
| Net Sales | 17,630 | 8,890 | 12,022 | -26.1% | -49.6% |
| Operating Income | 5,816 | 1,332 | 2,441 | -45.4% | -77.1% |
| Operating income rate(%) | 33.0% | 15.0% | 20.3% | | |
| The Number of Employees | 826 | 524 | 680 | | |

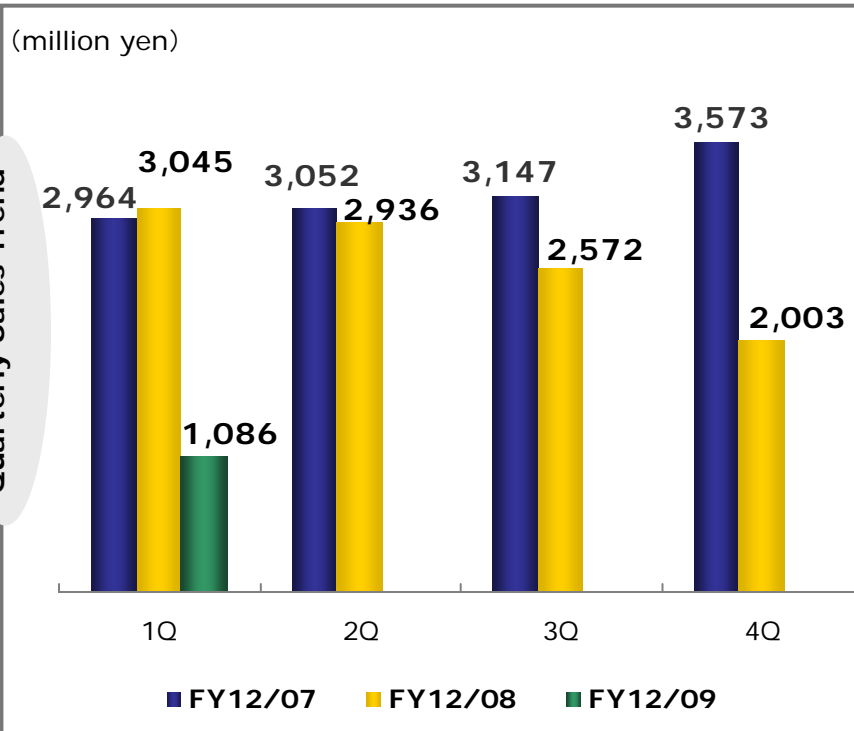
| New Graduate Hiring Business | | | | | |
|------------------------------|----------------|-------------------------------|-------------------------------|------------------------------|--------------|
| | FY2008 results | FY2009 Revised Projection (A) | FY2009 Initial Projection (B) | increase-decrease rate (A/B) | % YOY Change |
| Net Sales | 3,448 | 1,790 | 2,550 | -29.8% | -48.1% |
| Operating Income | 215 | -364 | -460 | — | -269.3% |
| Operating income rate(%) | 6.3% | -20.3% | -18.1% | | |
| The Number of Employees | 248 | 116 | 205 | | |

| Education/Evaluation Business | | | | | |
|-------------------------------|----------------|-------------------------------|-------------------------------|------------------------------|--------------|
| | FY2008 results | FY2009 Revised Projection (A) | FY2009 Initial Projection (B) | increase-decrease rate (A/B) | % YOY Change |
| Net Sales | 204 | 200 | 228 | -12.3% | -2.0% |
| Operating Income | 39 | 32 | 19 | 68.4% | -17.9% |
| Operating income rate(%) | 19.3% | 16.0% | 8.5% | | |
| The Number of Employees | 20 | 17 | 25 | | |

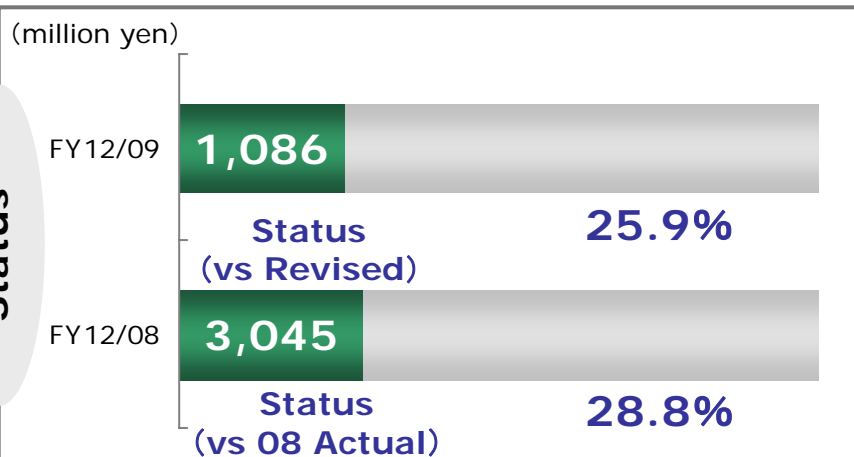
FY12/09 1st Quarter

Summary of Site Information

Quarterly Sales Trend



Status



| Full-year Sales Projection(million yen) | | | | FY2009 1QYear- to Date |
|---|---------|-------------------------------|-----------------|------------------------------|
| Revised | Initial | increase- decrease rate | % YOY change | |
| 4,200 | 5,737 | -26.7% | -60.2% | 1,086 |

| | | |
|--|-----------|------------------------|
| The number of registered users (At the end of March) | 2,440,000 | Up 399,000 (+19.5%) |
|--|-----------|------------------------|

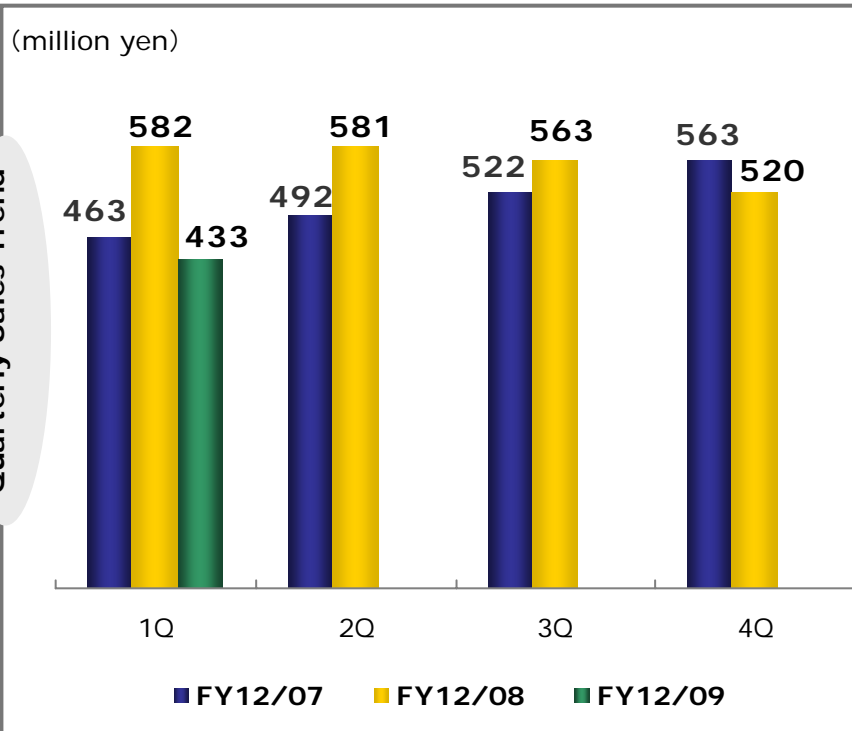
FY12/09 1st Quarter Overview

- The corporate hiring freeze trend grew stronger; Net sales experienced a 64.3% year-on-year decrease to ¥1.08 billion.
- Average unit price fell 20.3% year-on-year as a result of boosting sales of low-priced products since Q4 of FY12/08.

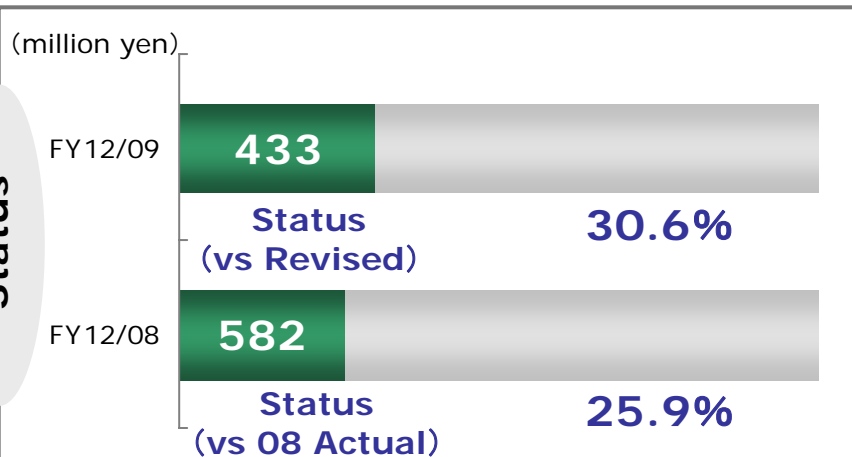
Policies from FY12/09 2nd Quarter

- Establish sales priority regions and focus resources on these areas.
- Continually introduce products with enhanced price competitiveness.
- Review sales strategy for mobile device site.

Quarterly Sales Trend



Status



| Full-year Sales Projection(million yen) | | | | FY2008 1QYear- to Date |
|---|---------|-------------------------------|-----------------|------------------------------|
| Revised | Initial | increase- decrease rate | % YOY change | |
| 1,420 | 1,800 | -21.1% | -36.8% | 433 |

| | | |
|--|---------|-----------------------|
| The number of registered users (At the end of March) | 510,000 | Up 85,000 (+20.2%) |
|--|---------|-----------------------|

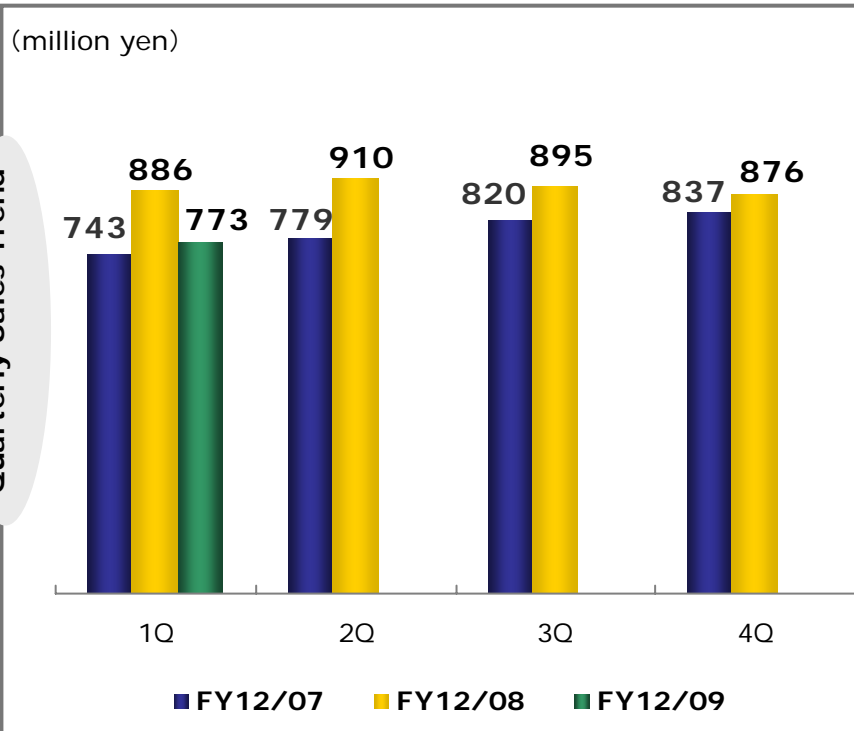
FY12/09 1st Quarter Overview

- Affected by weak corporate hiring plans, job placement agency operating results deteriorated. Net sales fell 25.6% year-on-year to ¥430 million.
- Driven by intensified price competition, average unit price fell 9.3% year-on-year.

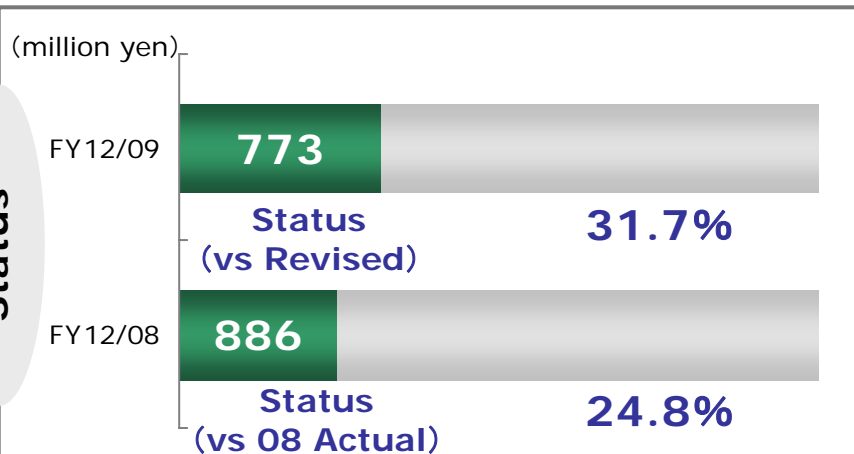
Policies from FY12/09 2nd Quarter

- Strengthen sales activities aimed at continued ad placements.
- Continue introducing products with enhanced price competitiveness.

Quarterly Sales Trend



Status



| Full-year Sales Projection(million yen) | | | | FY2008 1QYear- to Date |
|---|---------|-------------------------------|-----------------|------------------------------|
| Revised | Initial | increase- decrease rate | % YOY change | |
| 2,440 | 3,300 | -26.1% | -31.6% | 773 |

| | | |
|--|---------|------------------------|
| The number of registered users (At the end of March) | 570,000 | Up 110,000 (+24.0%) |
|--|---------|------------------------|

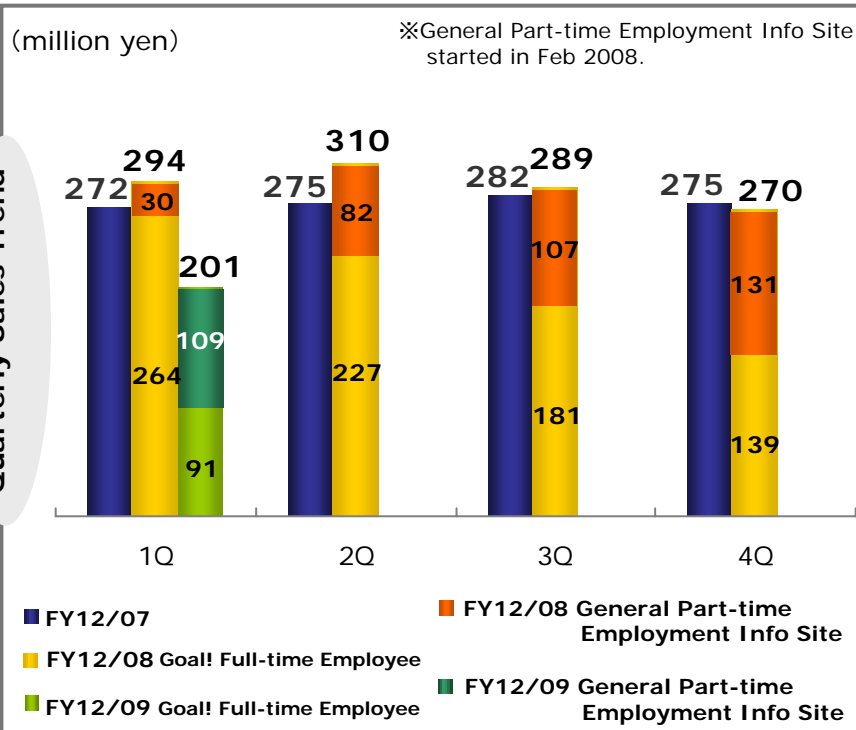
FY12/09 1st Quarter Overview

- Hiring at temporary staffing companies trended downward, weakened by dispatch staff contract cancellations and fewer new job offers. Net sales fell 12.8% year-on-year to ¥770 million.
- Business locations listing ads declined because of office consolidations and reorganizations and an increase in temporary staffing companies that recruit dispatch staff using only their own website.

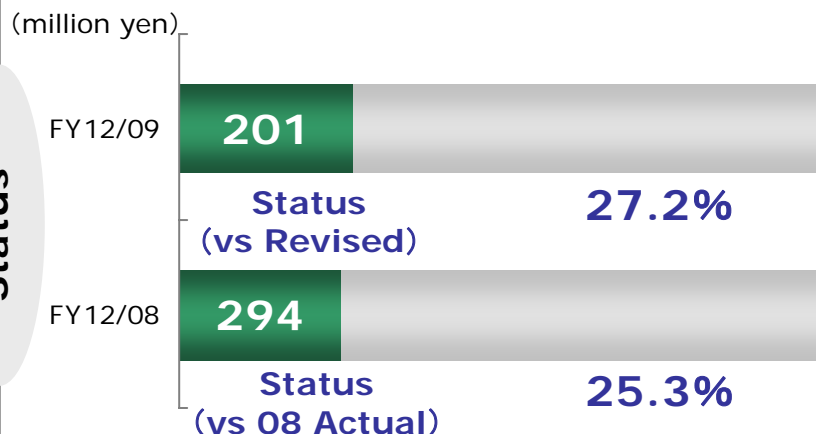
Policies from FY12/09 2nd Quarter

- Achieve more effective solicitation by creating specially designed pages for mobile devices for businesses and job categories exhibiting strong hiring.
- Conduct seminars for existing clients to strengthen customer relationships.

Quarterly Sales Trend



Status



| Full-year Sales Projection(million yen) | | | | FY2008 1QYear-to Date |
|---|---------|------------------------|--------------|-----------------------|
| Revised | Initial | increase-decrease rate | % YOY change | |
| 740 | 1,155 | -35.9% | -36.5% | 201 |

| | | |
|---|---------|------------------------|
| The number of registered users (At the end of March) | 340,000 | Up 135,000 (+66.1%) |
|---|---------|------------------------|

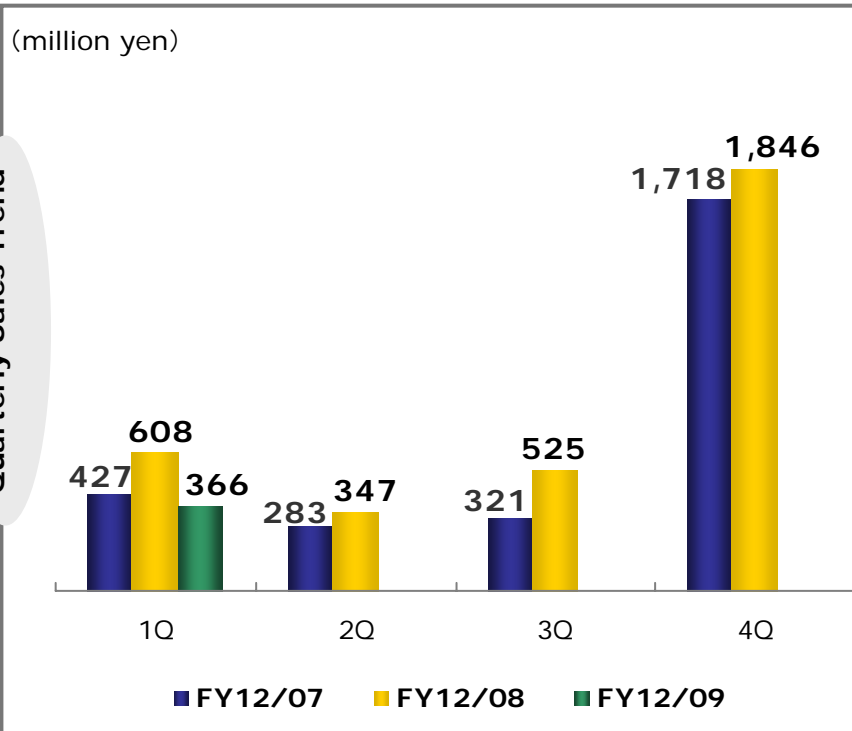
FY12/09 1st Quarter Overview

- Sites for full-time employees, which have fought hard to attract business since the prior FY, plus the downward trend in job offerings on general part-time job sites, caused net sales to fall 31.6% year-on-year to ¥200 million.
- As the market contracted, the competitive environment grew more severe.

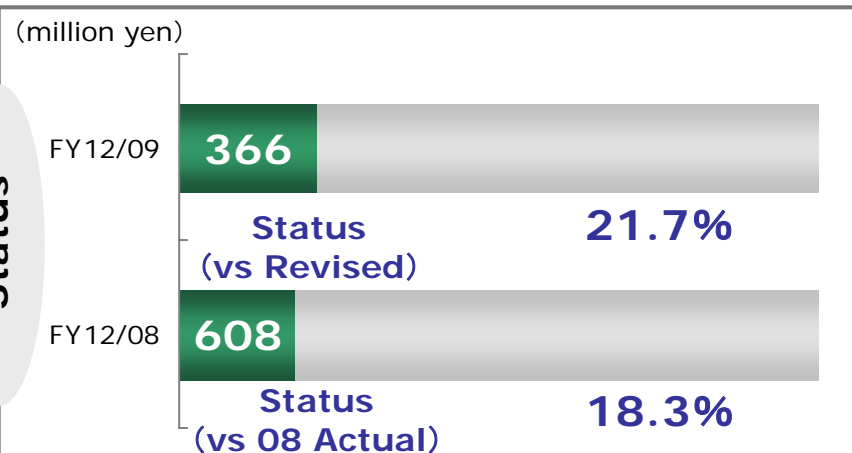
Policies from FY12/09 2nd Quarter

- Focus capabilities on regions and industries with robust hiring needs.
- Strengthen new hire training.

Quarterly Sales Trend



Status



| Full-year Sales Projection(million yen) | | | | FY2008 1QYear- to Date |
|---|---------|-------------------------------|-----------------|------------------------------|
| Revised | Initial | increase- decrease rate | % YOY change | |
| 1,690 | 2,370 | -28.7% | -49.2% | 366 |

| | | |
|--|---------|------------------------|
| The number of registered users (At the end of March) | 430,000 | Up 630,000 (+16.8%) |
|--|---------|------------------------|

FY12/09 1st Quarter Overview

- During January-March 2009, the number of companies that began placing ads fell by 144 firms (-46.6%) year-on-year because of the recession. As a result, net sales were down 39.8% year-over-year to ¥360 million.
- The number of registered users rose steadily to a record 430,000 users.

Policies from FY12/09 2nd Quarter

- Sharpen product uniqueness to enhance competitiveness in a shrinking market.
- Strengthen job hunting support for students, foster career awareness and improve percentage of student-firm matches.

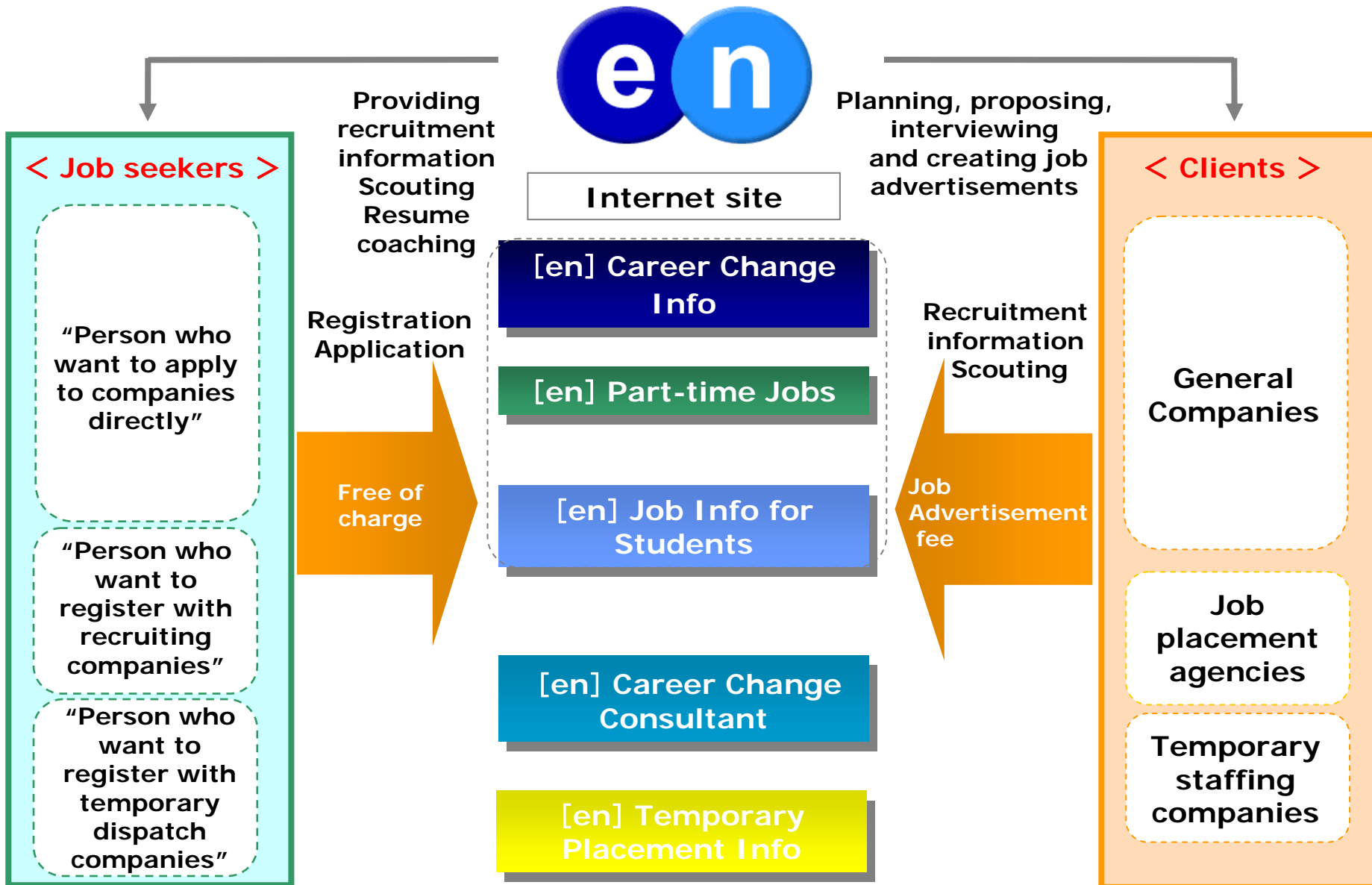
Return to Shareholders

Regarding Profit Distribution

en-japan considers the maintenance of a dividend payout ratio of approximately 30% and the appropriate return of earnings to shareholders according to the operating results in each period, while taking into consideration the use of internal reserves to invest for growth and the maximization of corporate value, to be its fundamental policy. Because it has revised its operating results projections as described above in response to the rapid deterioration of its operating environment, the Company has decided to leave the full year-end dividend for the fiscal year ending December 2009 “undecided” at this time, and will propose the dividend amount after comprehensively considering its full year operating results for the current period and other factors.

Appendix

| | |
|--|---|
| 【 Name 】 | en-japan inc. |
| 【 Establishment 】 | January 14, 2000 |
| 【 Representative 】 | Michikatsu Ochi (Chairman) / Takatsugu Suzuki (President) |
| 【 Headquarters 】 | Shinjuku I-land Tower, 6-5-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo |
| 【 Total Stockholder's Equity 】 | JPY 967 million (as of end of Mar. 2009) |
| 【Stock Listing 】 | Nippon New Market "Hercules" |
| 【Fiscal Year 】 | January 1 – December 31 |
| 【 Number of Employees 】 | 960 (as of end of Mar. 2009) |
| 【 Number of Outstanding Shares】 | 245,538 (as of end of Mar. 2009) |
| 【 Business Description 】 | (1) Internet job recruitment service (2) Consultation on recruitment, employee education and personnel evaluation system |

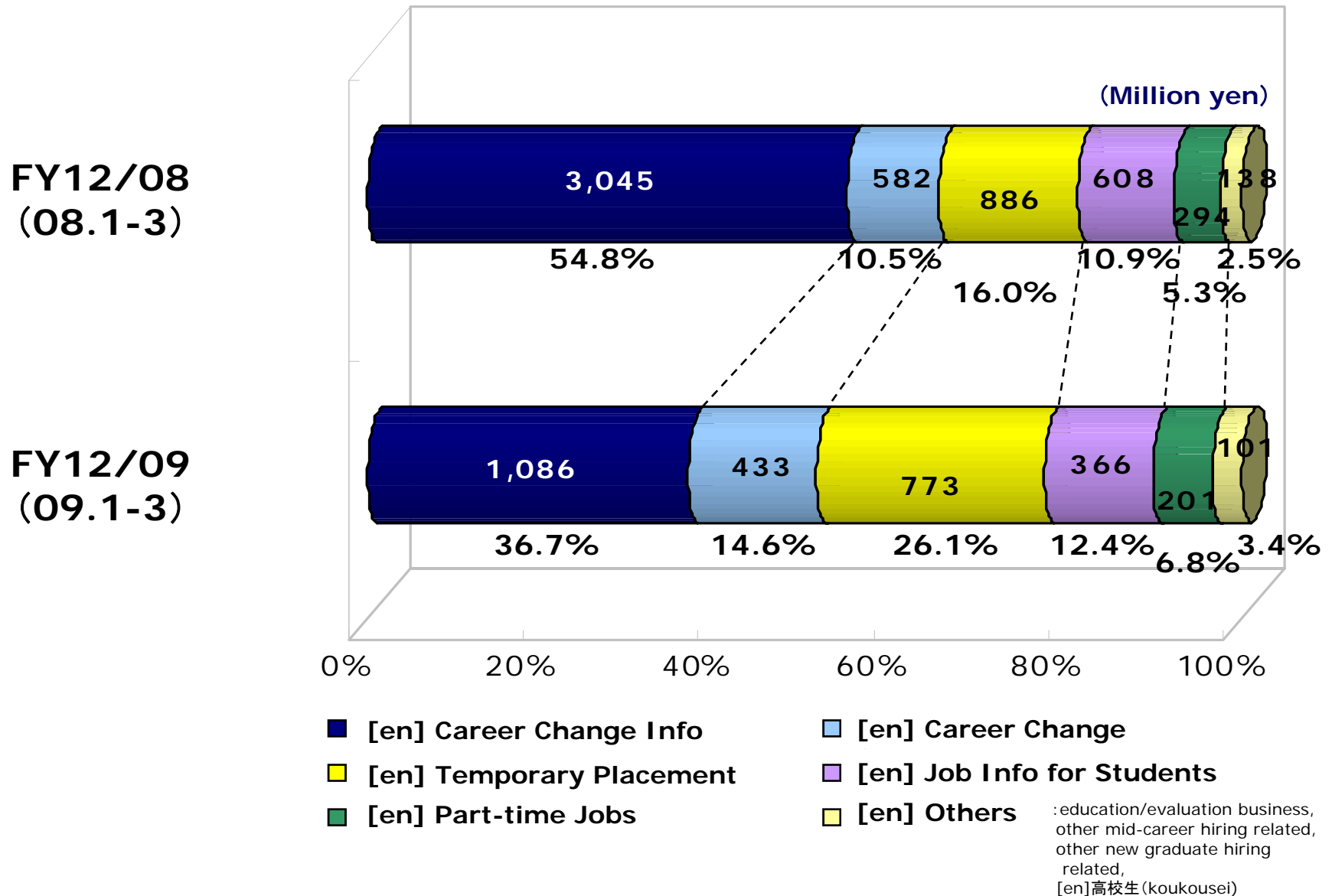


Our Main Business Contents - Sites We Operate

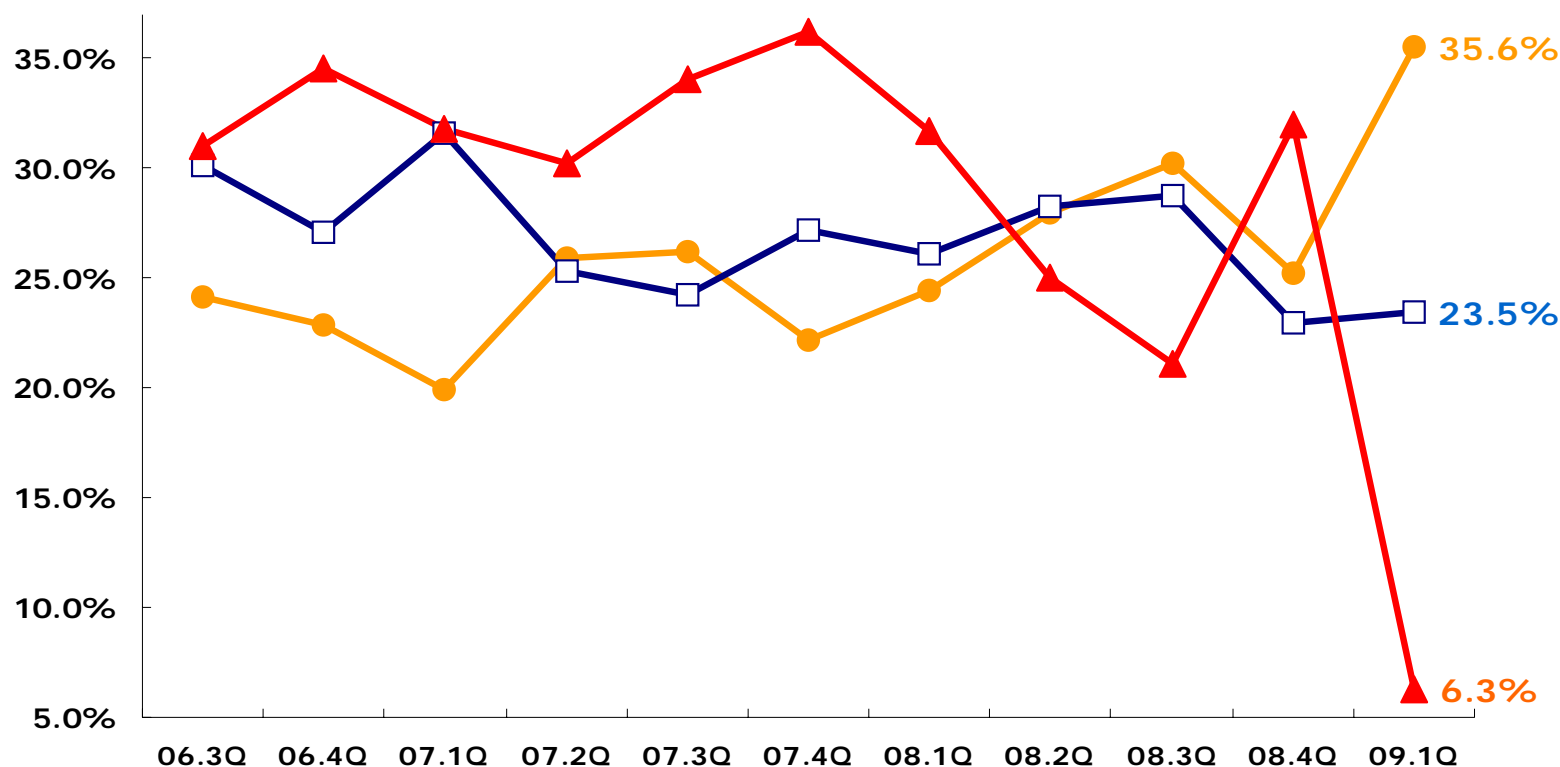


| | Site Brand | Share | Contents | Characteristics | Users | Clients |
|----------------------------|--|-------|--|--|--|--|
| Mid-career Hiring Business | [en] Career Change Info [en]社会人の転職情報 | 50 % | Site for Comprehensive Career Change Info | No.2 in industry <ul style="list-style-type: none"> All 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 | 11 % | Collective site for job placement agencies | No.1 in industry <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 | 17 % | Collective site for temporary staffing companies | No.2 in industry <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 [en]本気のアルバイト | 6 % | Site for Comprehensive Part-time worker Career Change Info | General Part-Time Employment Info Site (2/25 Open!) <ul style="list-style-type: none"> First Membership Part-Time employment site in the industry Companies award points based on work performance Mini-bonuses awarded based on points earned <hr/> Site for part-time jobs that offer the potential to be hired as full-time employees [Goal! Full-time Employee] <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"> High school student University students <hr/> <ul style="list-style-type: none"> 80% are in their 20s-mid 30s 50% are Part-timers and NEETs | contractor Temporary staffing companies General Companies General Companies |
| New-Graduate Business | [en] Job Info for Students [en]学生の就職情報 | 16 % | Site for student employment information | Unique job and company research type-site <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 |

Sales Breakdown by Product



Labor costs relative sales and Advertising, sales promotion costs



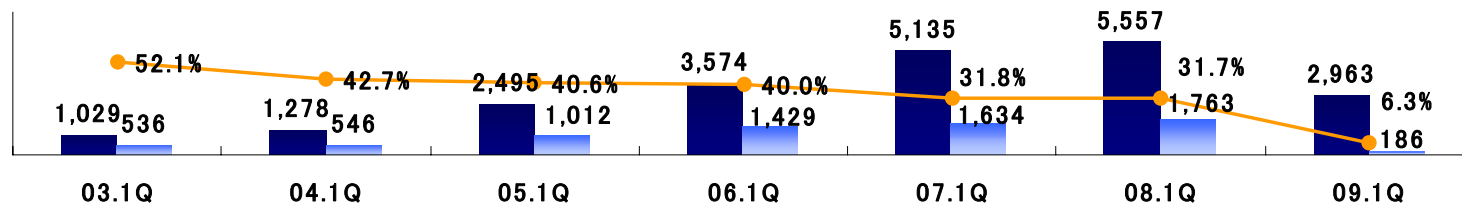
—●— Labor costs relative to sales
 —□— Advertising, sales promotion costs relative to sales
 —▲— Ordinary Income rate

| | 06.3Q | 06.4Q | 07.1Q | 07.2Q | 07.3Q | 07.4Q | 08.1Q | 08.2Q | 08.3Q | 08.4Q | 09.1Q |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Ordinary Income (million yen) | 1,338 | 1,907 | 1,634 | 1,538 | 1,782 | 2,619 | 1,763 | 1,311 | 1,039 | 1,791 | 186 |
| Ordinary Income rate | 31.1% | 34.6% | 31.8% | 30.3% | 34.1% | 36.2% | 31.7% | 25.0% | 21.1% | 32.0% | 6.3% |
| Labor costs (million yen) | 1,042 | 1,262 | 1,024 | 1,319 | 1,370 | 1,603 | 1,358 | 1,464 | 1,490 | 1,414 | 1,055 |
| Labor costs relative to sales | 24.2% | 22.9% | 19.9% | 26.0% | 26.2% | 22.2% | 24.4% | 28.0% | 30.2% | 25.2% | 35.6% |
| Advertising, sales promotion costs (million yen) | 1,297 | 1,496 | 1,622 | 1,285 | 1,268 | 1,964 | 1,449 | 1,479 | 1,420 | 1,286 | 696 |
| Advertising, sales promotion costs relative to sales | 30.1% | 27.1% | 31.6% | 25.3% | 24.2% | 27.1% | 26.1% | 28.2% | 28.8% | 23.0% | 23.5% |

1st Quarter Term Segment performance

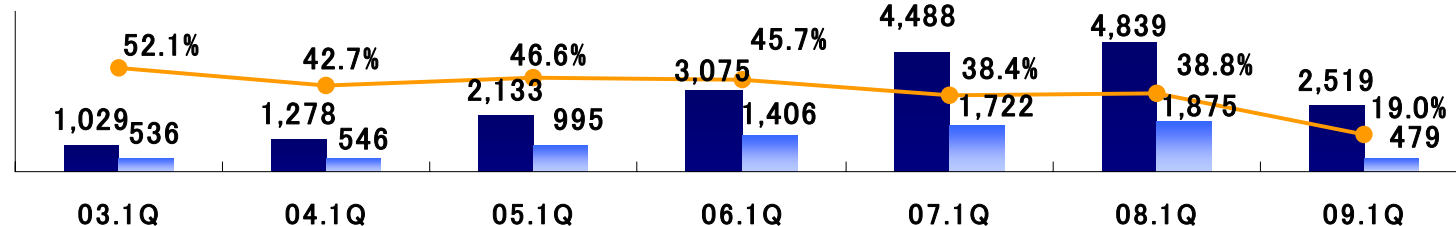


Company-wide



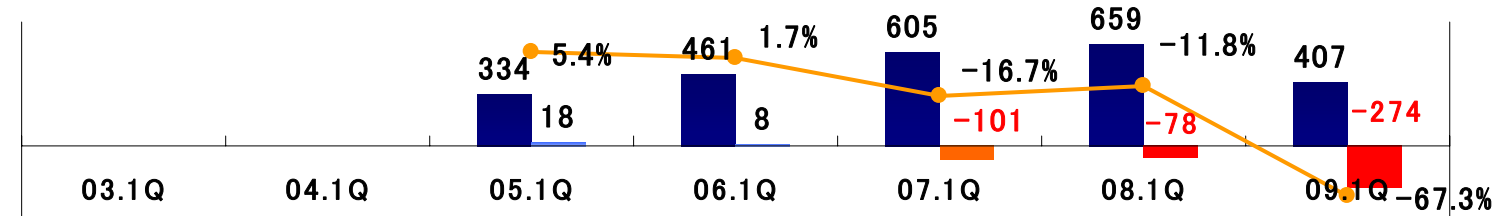
Net Sales
(million yen)

Mid-career hiring business



Ordinary Income
(million yen)

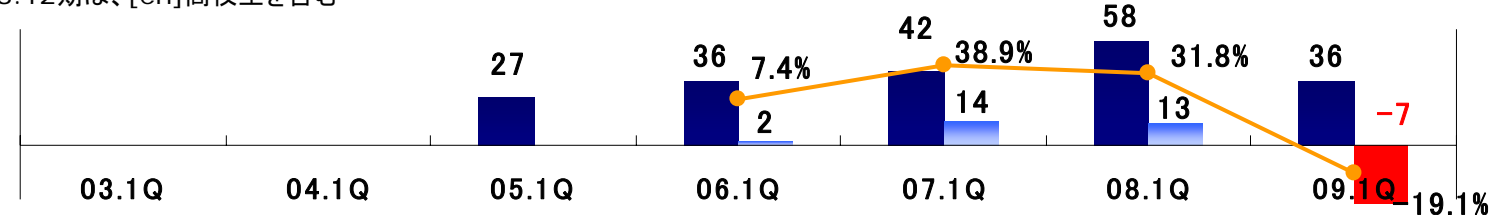
New graduate hiring business



Ordinary Income Rate

Education/Evaluation business

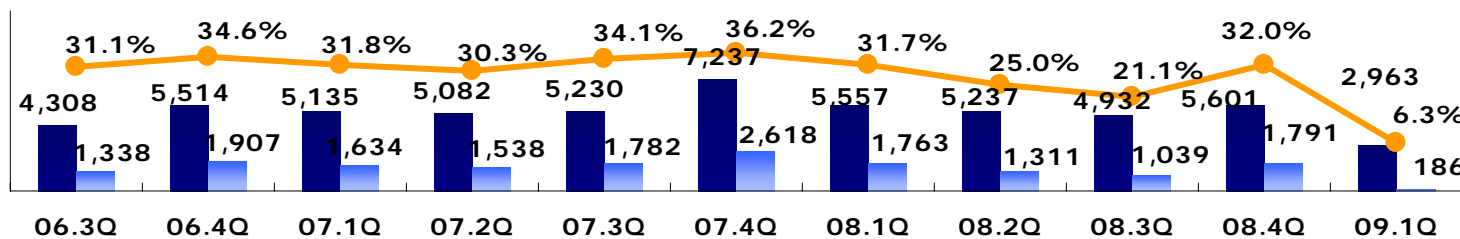
※08.12期は、[en]高校生を含む



Transition of Quarter Segment Performance

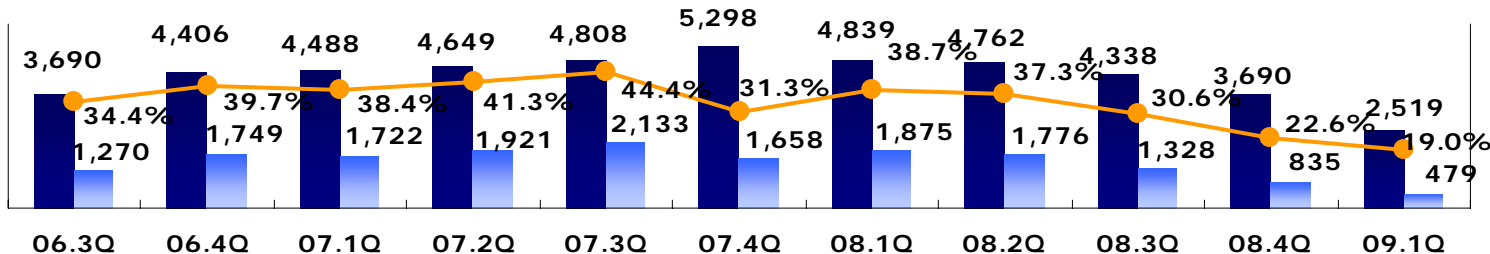


Company-wide



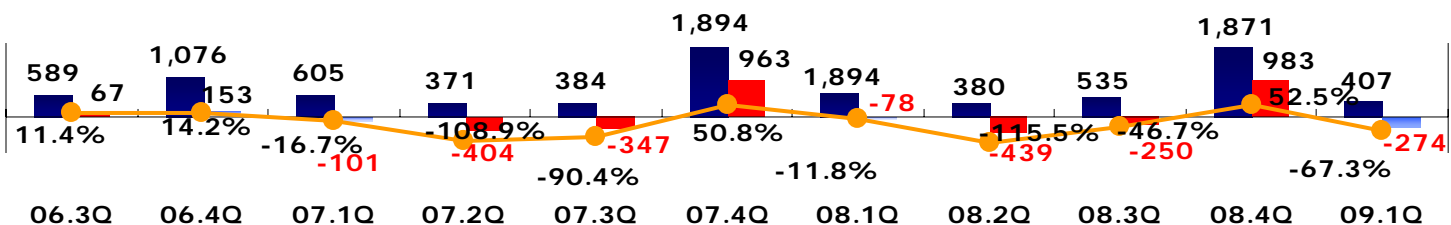
Net Sales
(million yen)

Mid-career hiring business



Ordinary Income
(million yen)

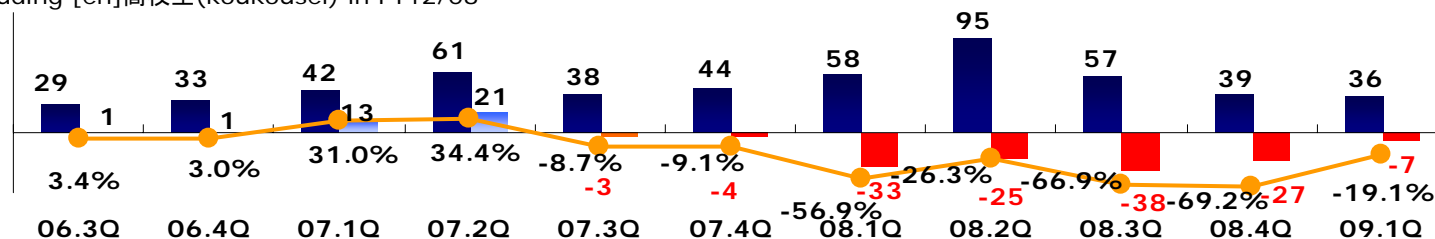
New graduate hiring business



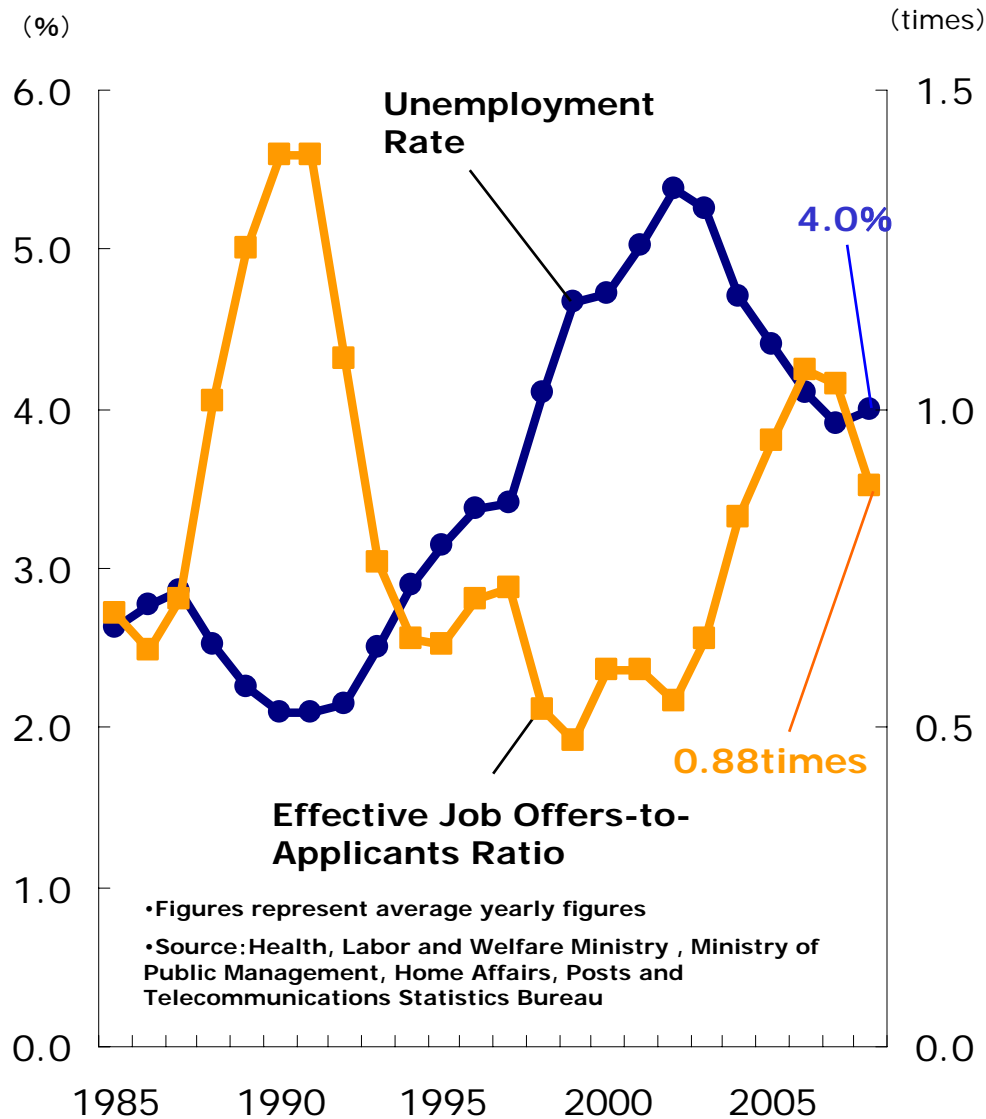
Ordinary Income Rate

Education/Evaluation business

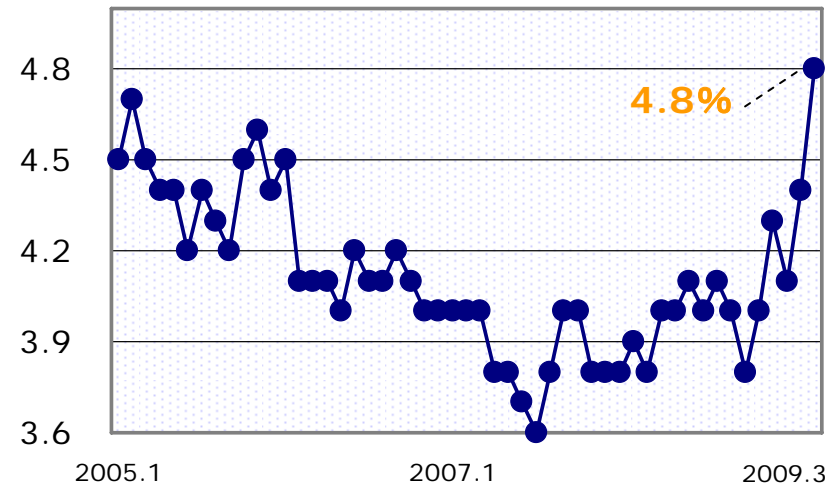
※Including [en]高校生(koukousei) in FY12/08



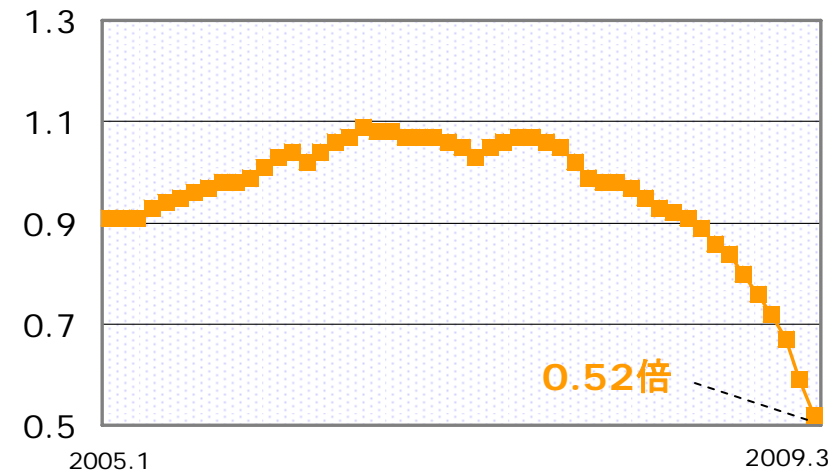
Effective Job Offers-to-Applicants Ratio ,Unemployment

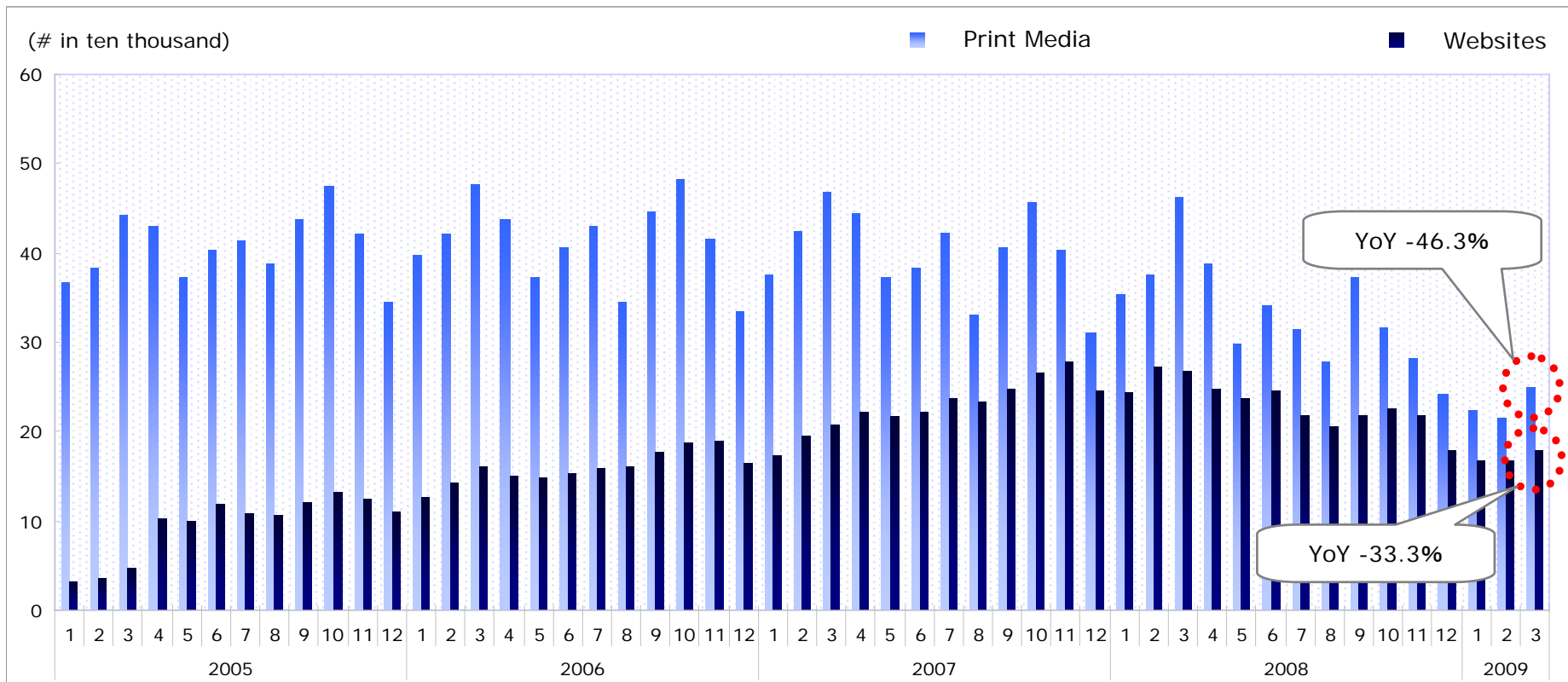


<Latest Unemployment Rate>



<Latest Effective Job Offers-to-Applicants Ratio >





Source: Association of Job Information of Japan "Job Advertisement Numbers" (Apr. 2009)

* Survey of 64 domestic companies (Prior to March 2006, survey of 64 companies, Apr 2007 to Mar 2009, survey of 66 companies)



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