

## Interim Business Report for the Fiscal Year Ending May 31, 2007

June 1, 2006 to November 30, 2006



Flowers — A painting by Futoshi Tomonaga (intellectually disabilities)

Based on the concept "talent knows no handicap," Pasona has utilized the medium of art to promote greater participation in society for the disabled. The Art Village Project, which was launched in 1992, is one initiative through which Pasona strives to contribute to society as a whole.

Pasona's "ambition" is realizing the "dreams" of each and every individual in their efforts to reenter the workforce, seek new challenges, and achieve new goals.

Our raison d'etre is to build **a future where individuals can create their own comfortable lifestyles and freely choose the kind of work they wish to do.**

With unrelenting passion, Pasona is committed to creating **an infrastructure where each individual can nurture his or her own dream irrespective of age and gender.**

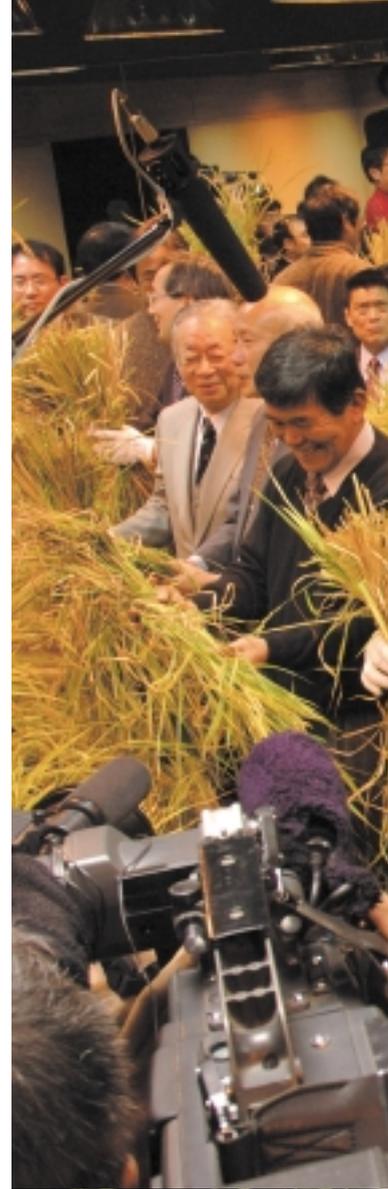
Unwavering in this mission, we will continue to stride forward, seek new challenges, and contribute to the prosperity of society.

## Contents

|   |    |
|---|----|
| TO OUR SHAREHOLDERS.....                            | 2  |
| PASONA GROUP TOPICS.....                            | 4  |
| AS A GOOD CORPORATE CITIZEN — CSR INITIATIVES ..... | 6  |
| GROUP FOCUS.....                                    | 8  |
| COME VISIT PASONA!.....                             | 9  |
| BUSINESS REVIEW.....                                | 10 |
| CONSOLIDATED FINANCIAL STATEMENTS.....              | 15 |
| NON-CONSOLIDATED FINANCIAL STATEMENTS.....          | 17 |
| PRINCIPAL FINANCIAL INDICATORS.....                 | 18 |
| NETWORK.....  | 19 |
| STOCK INFORMATION.....                              | 20 |
| DIRECTORS, ADVISORY BOARD, CORPORATE DATA.....      | 21 |

## Pasona Initiatives in the Field of Agriculture

Pasona continues to implement innovative measures that contribute to the creation of new employment opportunities in the agricultural sector. In addition to the launch of PASONA O2, an agricultural facility on the B2 level of the Company's Otemachi headquarters, Pasona hosts a variety of events nationwide.





### ■ A New Crossroad — 31 Years Since Foundation

Now in its 31st year since foundation, Pasona has come to a historic crossroad. As we herald a new milestone in our continued development, I would like to thank all stakeholders for your continued warmth, support and understanding.

Much has transpired over the past three decades, and as I reflect on a period of significant change, opportunity and turmoil, I am reminded of four key factors that continue to underpin our growth and development. The first is our corporate philosophy to provide "Solutions to Society's Problems," and the vision that it encompasses, namely, "Job Creation." The second factor is our employees, a group of like-minded individuals united under a common banner. Third, is the attitude our employees bring to their workplace and the commitment that comes from a strong sense of destiny. And finally, fourth, is the action that follows ideas and knowledge, staying true to one's beliefs and accepting challenge with confidence, pride and courage. Whether reflecting on the past, examining the present, or looking ahead to what the future may hold, Pasona remains a product of the aforementioned factors, and the support and understanding of a multitude of stakeholders.

For as long as this remains the centerpiece of our business activities, Pasona will retain its standing as an essential member of the community, continue to contribute to the wellbeing of society and fulfill its purpose for existence.

### ■ The Employment Environment — Realizing a Fundamental Qualitative Shift

The concept of employment, and employee attitudes toward work in 2007, are exhibiting increasing signs of a fundamental change. The notion that each individual's existence inherently revolves around his or her company is giving way to increased weight on personal needs and values. The recent trend toward part-time work and the growing number of young people floating from one job to another, the so-called "Freeter", are prime examples. While a variety of factors have contributed to these phenomena, the shift in individual values has played a significant role.

While some things change, however, others seem forever to remain the same. Looking at the White Paper on Labor of 1980, marriage, childbirth and the rearing of children were identified by more than 70% of housewives as the reasons for leaving work. More than a quarter of a century later, childbirth was again identified by more than 70% of women for the reason for leaving the workforce (the White Paper on Gender Equality of 2006). Despite the implementation of the Law for Equal Employment Opportunity for Men and Women in 1986, the ability for women to maintain full-time employment while fulfilling household responsibilities remains as difficult today as it was some 20 years earlier. Clearly, the infrastructure required to allow simultaneous individual and household pursuits is yet to be realized.

Now more than ever, employment conditions demand a fundamental qualitative shift. Today's employment environment must abandon its company-first perspective and an infrastructure with the company as its dominant core. In order to address the needs of the day, the individual's perspective and an infrastructure in tune with individual lifestyles must form a greater part of employment conditions. Employment is a national imperative and Pasona is faced with a multitude of issues and challenges.



### ■ Fulfilling a Role as a Human Incubator

As an initial step, the Pasona Group will embark on a Human Incubation role in the fiscal year under review. Our goals are to build the necessary processes and human resource training systems that enable individuals to realize their dreams. Fulfilling a facilitator's role, we will provide lifestyle and employment support and help create an infrastructure where individuals can make the most of their talents and abilities. Both within and outside the workplace environment, we will support individuals in search of independence irrespective of age, gender and experience. At the same time, we will augment our services in each of the temporary staffing and contracting, placement and recruiting, outplacement and outsourcing business activities in an effort to support client firms as they adjust to changes in society and the economy.

### ■ Creating Opportunities that Allow Individuals to Realize their Dreams

Each and every member of the Pasona Group is committed to creating new employment opportunities. Our goal is to help establish an environment in which all individuals without exception can realize their potential and pursue their dreams. In enhancing labor market liquidity and mobility, we strive to revitalize the domestic economy, and by nurturing a growing pool of human resources to deliver solutions to society's problems. Going forward, we will continue to contribute to society to foster an unwavering spirit of hope.

February 2007

Yasuyuki Nambu  
Group CEO and President

A handwritten signature in black ink that reads "Yasuyuki Nambu". The signature is written in a cursive, flowing style.

### Pasona Heartful Inc.

#### Promoting Employment Opportunities for the Disabled

In conjunction with the social welfare corporation Minori-no-kai "Big Heart," Pasona Heartful Inc., a Pasona Group subsidiary company, opened "Yume (Dream) Farm" in Yachiyo City, Chiba Prefecture, in September 2006. This facility provides employment opportunities mainly to people with intellectual disabilities. Tasks include the cultivation of flowers and vegetables as well as the production and assembly of processed goods. In addition, Pasona Heartful established an Art Village Workshop within Musashino Higashi Gakuen to provide people with disabilities a place to create and sell artwork. Through the medium of art, Pasona strives to support greater independence for every member of the community.

[www.pasona.co.jp/heartful](http://www.pasona.co.jp/heartful)



Pasona conducts Art Village Workshops as a forum for people with disabilities to design, produce and market works of art. The Group is committed to creating employment opportunities for the disabled.



On a national scale, collaborative efforts between the corporate sector and social welfare corporations to promote employment opportunities for the disabled remain quite rare. Looking ahead, Pasona will augment its efforts to promote disabled employment in regional areas.

### Pasona Career Inc.

#### Japan's First Nationwide Placement, Recruiting and Outplacement Company

Pasona Career Inc. commenced operations in January 2007, following the merger between Pasona Carent, Inc., a company specializing in the placement and recruitment of human resources, and Pasona career assets Inc. a company engaged mainly in the outplacement business. Japan's first full-fledged nationwide human resource company, Pasona Career will provide placement, recruiting and outplacement support to job seekers and client firms. In an effort to further enhance its placement and recruitment activities, an area earmarked for significant future growth, the new company will leverage its core competencies, including a nationwide network and high-quality consultants, to better address the diverse personnel needs of the corporate sector.

[www.pasonacareer.jp](http://www.pasonacareer.jp)

### Pasona Group Job Exposition

#### Making the Most of Your Talents!

As a part of its 30th anniversary celebrations, the Pasona Group held a job exposition in October 2006. Launched simultaneously across 52 locations nationwide, the "Making the Most of Your Talents!" exposition was designed to support job seekers find employment that would best enhance their abilities and to create a stage from which individuals could display their talents to maximum appeal.

The exposition was filled with a variety of special events. Highlights included a dialogue session between Shigesato Itoi, a renowned copywriter, and Yasuyuki Nambu, CEO of the Pasona Group. Heizo Takenaka, the former Minister of Public Management, Home Affairs, Posts and Telecommunications and the actor Tetsuya Bessho also gave their insights on to best fulfill potential, realize individual aspirations and make the most of



"Talent is something that comes from within. It is an intangible asset that is appreciated by others. What we all must do as individuals is let out our talents at every opportunity." A comment by Shigesato Itoi.



The Job Counseling Floor was crowded with people all day as Pasona Group career consultants met with job seekers.

one's talents in the workplace. At events across the nation, a variety of seminars were held based on the theme "Uncovering, Identifying and Enhancing Talents." Pasona also introduced employment opportunities most suited to individual talents as well as benefit services for increased employment security. On a cumulative basis, the event attracted approximately 10,000 visitors across Japan.

Consistent with its underlying mission, to build a future where individuals can create their own comfortable lifestyles and freely choose the kind of work they wish to do, Pasona will continue to hold expositions as a part of the Group's efforts to establish an all-encompassing employment infrastructure.

[www.pasona.co.jp/shokuhaku](http://www.pasona.co.jp/shokuhaku)

## Job Assistance Business for Musicians

### Pasona Launches Music Mate

In October 2006, Pasona launched Music Mate, an employment support program targeting both the job seeker engaged in musical activities, as well as individuals contemplating a music career. Significant workplace flexibility is required for individuals to remain in employment while seriously pursuing their musical interests. Through Music Mate, Pasona provides valuable information regarding flexible employment opportunities that better accommodate the need for time off to practice and perform at concerts. In addition, our support services include introductions to music professionals for instruction and guidance, and music studio facilities at reasonable rates. At every stage of life, including the recent school graduate, Pasona strives to establish a structure that enables the individual to pursue his or her dream and to successfully combine a job with musical pursuits.



In addition to providing employment support, Pasona actively organizes concerts in its efforts to provide musicians with the opportunity to perform. We strive through a variety of initiatives to help individuals fulfill their dreams and aspirations.



Pasona Youth Inc. provides a comprehensive curriculum. At the same time, the company works diligently to propose a variety of work styles and employment alternatives that best fit the individual needs of young job seekers.

### Pasona Youth Inc.

#### Full-Line Human Resource Services Targeting the Young Demographic

Pasona Youth Inc., the result of a merger between Pasona On Inc. and Pasona ai Inc., commenced operations in July 2006. Targeting the 20s age bracket, the company provides a comprehensive menu of employment support services. Leveraging the Group's collective expertise in providing employment support to new graduates and those with limited experience in the workforce, since 1995, Pasona Youth endeavors to provide young job seekers with the tools and information necessary to make the most of their individual personalities and realize their aspirations. At the same time, the company provides consulting services to client firms to assist their efforts in attracting capable and committed young job seekers.

[www.pasona-youth.co.jp](http://www.pasona-youth.co.jp)

### Major Events in the First Half of the Fiscal Year Under Review

- Jun. 2006** The Hina no Sato Juku Agricultural Internship Project 2006 kicked off in Wakayama. Yoga classes for pregnant women and mothers held in support of working women. The Precious Career Academy launched to provide working women with total beauty and knowledge skills. Pasona Tech, Inc., Infoteria Corporation and Sun Microsystems, Inc. combine to launch Java/XML College, to nurture information technology engineers of the future. Benefit One Inc. and Yahoo Japan Corporation combine to commence Yahoo! Welfare Benefits targeting small, medium and owner-proprietor companies.
- Jul. 2006** Kinshicho Branch opened in Tokyo. Pasona Youth Inc. commenced operations to provide comprehensive human resource support services targeting the young age bracket. Pasona e-Professional, Inc. commenced operations to provide temporary staffing services for technical sales personnel for general electric home appliance merchandisers. Pasona Heartful established an Art Village Workshop within Musashino Higashi Gakuen to support people with disabilities to gain increased independence. Pasona and Kawajuku Educational Institution combine to provide employment support services to graduates of Trident College. The fourth annual briefing session for students seeking to enter Shigoto (Work) College held as a part of Pasona's efforts to provide employment support to the young age bracket. Etsuya Washio appointed college dean. ISO27001, an international information security management standard acquired.
- Aug. 2006** Pasona career assets Inc. and Hiroshima Prefecture collaborate in the U/I-turn business. Seminars for "Experiencing Life in the Country" held in Okayama and Aomori.
- Sep. 2006** "The Function and Role of the Chief Human Officer Seminar" held. New concepts in human resources in Japan's corporate sector proposed by the Japan Society for Chief Human Officer. The Yume (Dream) Farm opened, an initiative by Pasona Heartful Inc. to provide people with disabilities with employment opportunities in the agriculture sector. ALL STAFF service program commenced. ALL STAFF is a shared service menu of welfare benefit services specifically for temporary staff. Access is restricted to companies that participate in events organized by HR Partners Inc.
- Oct. 2006** Toyota Branch opened by Pasona Tech, Inc. targeting the automobile industry. Music Mate, a program to provide employment support to musicians launched. "Making the Most of Your Talents! Creating a stage from which individuals can shine to their best advantage" exposition held across Pasona's nationwide branch network. Nursery staff Tokyo Business Exchange Program commenced by Pasona Foster Inc.
- Nov. 2006** Business Athlete Seminar held by Pasona Sportsmate Inc. to help individuals successfully combine a job with athletic pursuits. A Harvest Festival held in Wakayama Prefecture. An attempt by Pasona to provide therapeutic relaxation to temporary staff through agricultural activities. Japan's largest Asian employment seminar held by Pasona Global Inc. Tie-up between Benefit One Inc. and ORIX Corporation regarding welfare benefit agency services.

June 4, 2006 Pasona Shibuya  
25 employees participated in a cleanup  
campaign of Tama River and its surrounds.



Pasona employees participated in a cleanup campaign organized by the Miyamae and Takatsu wards of Kawasaki City. Pasona employees strike a pose, ready for the task ahead.

July 30, 2006 Pasona Chiba,  
Funabashi and Kashiwa  
Pasona employees participated in a flea  
market held at Makuhari Messe.



An excellent opportunity for people of all ages to better understand Pasona's stance toward social contribution. A satisfying time well spent.  
\* ¥21,100 donated to the Thank You Fund.

August 3, 2006 Pasona Utsunomiya  
Joining in with the disabled in the popular  
Tochigi Prefecture basketball competition.



Members of the Tochigi basketball team for people with disabilities, Tochigi WBC, winners of the competition MVP award. The team was also presented with the Pasona Award.

Since its foundation, the Pasona Group has worked diligently to provide "Solutions to Society's Problems" by creating employment opportunities. Guided by this corporate philosophy, our goal is to establish and develop an employment infrastructure where individuals can freely choose the kind of work they would like to do irrespective of age and gender.

Put simply, Pasona's raison d'être is to fulfill its corporate social responsibility. As "social activists," the mission of each and every employee of the Pasona Group is to create a forum in which individuals can make the most of their talents and abilities. We are committed to helping job seekers secure a satisfying and challenging position within society and to support client firms in maintaining healthy corporate activities. Through these means, the Pasona Group will continue to help realize a comfortable and prosperous life for all.

### ■ The Work of the Pasona Group - Formulating a PASONA GROUP Corporate Action Constitution

In this the inaugural "Social Solutions Year," we have formulated the PASONA GROUP Corporate Action Constitution. As a set of guidelines that lays the framework for our future, this Constitution strengthens our organizational structure and allows us to better fulfill our corporate social responsibility. In this context, "The Work of PASONA GROUP," embodies the mission of each and every employee, and represents the promise we make to society as a whole. Based on a thorough understanding of its content, this Constitution is shared globally throughout the Group by senior executive, management and employees alike.

Pasona has clarified its Group corporate philosophy, and issued individual Job Creation and Environmental Credo. Collectively these form the basis for the Group's commitment to growth and prosperity in tune with all stakeholders. At the same time, we have formulated the Pasona Group CSR Policy, a CSR roadmap based on five core principles.

Moreover, the Pasona Group maintains a unified focus on corporate governance, compliance and the highest ethical standards. As a leading human resource company, we actively pursue strict adherence to all statutory requirements, business custom and practice, while establishing an optimal information management system. Through these means, we will continue to foster the trust and confidence of the communities that we serve.

### ■ 32nd KEIZAIKAI Award - Award for Contributions to Society

Each year, the KEIZAIKAI Award recognizes companies that make outstanding contributions to the domestic economy. More than simply a measure of profit performance, the awards honor companies that maintain a strong sense of mission. In the fiscal year under review, Pasona was identified as a company committed to solving society's problems. In specific terms, our efforts to create employment opportunities in the agricultural sector, Shigoto (Work) College and the Freeter Association were recognized as contributing significantly to society. Looking ahead, we will continue to implement measures that benefit society and fulfill our responsibilities as a good corporate citizen.

## Raising Social Contribution and Environmental Protection Awareness across Pasona Branches throughout Japan

The Pasona Group's efforts to contribute to society continue to expand at a national level. As a measure of its commitment as a good corporate citizen, Pasona established the Social Contribution Committee in the fiscal year ended May 31, 2006 comprising 30 employees selected from across Pasona's nationwide branch network. Serving as a focal point, this Committee orchestrated a variety of local activities during the first half of the fiscal year under review, encompassing 1,200 Pasona employees nationwide.

In addition, Pasona has positioned environmental conservation as an important component of its corporate social responsibility. In this context, we formulated a Groupwide Environmental Preservation Action Plan and are working diligently to address many of the world's environmental issues.

### ● Recognized as a Company that Supports Employees and their Households

Amid significant changes in lifestyle values and the growing importance placed on work life balance, Pasona was recognized by the City of Kashiwa in fiscal 2006 as a company that cares about employees and their families. Previously, in 2005, Nikkei WOMAN, a prestigious women's magazine, ranked Pasona fifth overall in a survey of working conditions for women in Japan. Identifying its menu of welfare benefits and its proactive efforts to foster the talents and abilities of women, this award honored Pasona as a company that supports individuals in successfully balancing work and household commitments.



### ● Eco-Run Grand Prix

Pasona conducted a fuel efficiency improvement campaign covering its nationwide fleet of vehicles. During the three-month period between June and August 2006, the Group practiced environmentally friendly eco-drive principles in an effort to reduce CO<sub>2</sub> emissions, a contributing factor to global warming.

## Major Social Contribution Activities

### June

Pasona Shibuya: Tama River terrace cleanup campaign  
Tokyo Headquarters/Takebashi Office: Chiyoda Ward cleanup campaign  
Pasona Shinagawa/Ueno: Flea market (sales donated to various charities)  
Pasona Fukushima: Blood donation  
Pasona Saitama: Flea market (sales donated to various charities)  
Pasona Fukuoka: Flea market (sales donated to various charities)

### July

Pasona Tachikawa: 'Asobi no Kyositsu' - volunteer work in environmental education  
Kanagawa District: Volunteer work at Hiratsuka July 7th Star Festival  
Chiba District: Flea market (sales donated to various charities)

### August

Tokyo Headquarters: Children's day tour to the Ministry of Education, Culture, Sports, Science and Technology  
Pasona Utsunomiya: 12-hour marathon basketball competition (wheelchair basketball club)  
Pasona Osaka: Settsukyo clean hiking  
Pasona Osaka: Midosuji watering campaign  
Pasona Hiroshima: Peace Memorial Park - Early morning cleanup

### September

Pasona Shizuoka, Kakegawa: Mochimune coast cleanup campaign

### October

Pasona Shinjuku, Tachikawa: Mount Takao cleanup campaign  
Pasona Shinagawa: Forest conservation activities (Forest School)  
Pasona Ikebukuro: Ara River cleanup campaign  
Pasona Tsukuba: Eco cooking class  
Pasona Nagoya: Todagawa Green Park planting activities

### November

Tokyo Headquarters/Takebashi Office: Chiyoda Ward cleanup campaign  
Tokyo Headquarters: Walk & Run Festival, Special Olympics, Tokyo, Japan charity event

### All Year

Pasona Ikebukuro: Cleanup activities of abandon bicycles around Ikebukuro Station  
Pasona Okazaki: Monthly morning cleanup activities  
Pasona Hiroshima: Heiwa-odori flowerbed maintenance  
Pasona Takamatsu: Monthly morning cleanup of Chuo-dori, blood donation

August 11, 2006 Pasona Osaka  
Water Sprinkling on Midosuji



In the middle of summer, Pasona employees participated in an event to sprinkle water on Midosuji, a main thoroughfare in Osaka. Combating heat-island effects, participants marveled at the lower temperatures and the efficiency of age-old traditions.

October 21, 2006 Pasona Shinjuku and Tachikawa  
Incorporating a game format, the cleanup of Mount Takao generated positive community communication.



A total of 43 employees including family members assembled at Mount Takao to participate in a cleanup campaign. Utilizing a game format, the event was an enjoyable affair.

October 21, 2006 Pasona Tsukuba  
Employees, staff and overseas exchange students participated in an ecology cooking class.



Participants were instructed in cooking methods that benefit the environment as well as the body. Key points were (1) buying only what is needed, (2) devising heating treatment, and (3) cleaning up leftovers and trash.



## Pasona Sportsmate Inc.

Pasona Sportsmate Inc. was established in June 2005 to provide employment support to athletes. Backed by a comprehensive menu of human resource services, the company assists athletes to balance work commitments with competitive sporting pursuits, and to prepare for work after retiring from their sporting endeavors.

Outside the realms of professional sport, and school graduates, who find employment with corporate sporting teams, individuals seeking to work while continuing sport at a competitive level are faced with significant hardship and dilemma. Not only do they require stable income and an economic platform, the job they find must have the flexibility to accommodate training and competition.

Pasona Sportsmate strives to support athletes in their efforts to resolve these issues. Working to create employment opportunities, the company matches athlete needs and the human skills nurtured through sporting endeavors with client firm requirements.

Maximizing the talents and strengths of each athlete, Pasona Sportsmate also provides a comprehensive menu of human resource services. In addition to proposing individual best-fit career plans, the company provides broad-based education and training. Leveraging the experience gained through temporary staffing employment, Pasona Sportsmate also conducts career counseling for the time athletes retire from their sporting endeavors.

Currently, a number of athletes from a variety of disciplines including speed skating and taekwondo, are working as temporary staff while pursuing their dreams of competing at the Olympics.

Pasona Sportsmate is itself the brainchild of a former amateur athlete. Miyuki Yakuwa, president of Pasona Sportsmate and a former canoeist at the national level, first advanced the concept of supporting non-professional athletes through Pasona's Challenge Day, an in-house venture system. Under this system, ideas for new business are solicited from Pasona Group employees with the most promising put into practice. Pasona Sportsmate epitomizes the goal of the Group to create a wide range of employment opportunities for all job seekers without exception.



Pasona Sportsmate provides employment support for athletes seeking to compete at the Olympics. The experiences gained through the workplace help athletes to mature both as individuals.

A voice from registered staff  
(Discipline: Taekwondo)



"While I was able to find work even before registering with Pasona Sportsmate, it was extremely difficult to fit in time for training and to receive the understanding of my employer. After registering, however, I now work as a temporary staff at Pasona O2, an agricultural facility. My workmates accept me as a taekwondo athlete and I am made to feel comfortable in pursuing both a career and my sporting dream."



|                        |   |
|------------------------|---|
| <b>Company Profile</b> | <a href="http://www.pasona-sportsmate.co.jp">www.pasona-sportsmate.co.jp</a>  |
| Company Name           | Pasona Sportsmate Inc.  |
| Representative         | Miyuki Yakuwa, President and Representative Director  |
| Head Office            | 9th floor, Yamato Life Insurance Building<br>1-1-7 Uchisaiwai-cho, Chiyodaku, Tokyo                                   |
| Established            | March 3, 2005   |
| Capital                | ¥40 million   |
| Business Activities    | Temporary staffing, placement and recruiting, human resource training and employment support specializing in athletes |

## OSAKA

Located in Umeda, Pasona Osaka lies at the heart of Kansai's economic and commercial district. Encompassing the activities of Pasona Career and other Group companies, this branch offers a full range of human resources services.

In addition to PASONA GRACE, relaxation room for temporary staff, the Osaka Branch provides a variety of seminars through the Pasona Club including culture courses and workshops for working mothers. With its roots in Kansai, the Osaka Branch serves as a transmission base for a wealth of helpful employment information. The Osaka Branch is also supported by the Namba Office to the south.



The hustle and bustle of Pasona's Job Exposition, an event held simultaneously across the Group's nationwide network in October 2006.

### Pasona Osaka

Hankyu Terminal Building  
1-1-4 Shibata, Kita-ku,  
Osaka 530-0012  
TEL: 0120-378-405

### Pasona Namba

9th floor, Parks Tower  
2-10-70 Namba-naka,  
Naniwa-ku, Osaka 556-0011  
TEL: +81-6-6647-8400

## WAKAYAMA

Through its Wakayama Branch, Pasona engages in a variety of initiatives in collaboration with local government authorities. Following the inaugural initiative in 2005, Pasona kicked off the Hina no Sato Juku Agricultural Internship in 2006, as a part of efforts to create employment opportunities in rural areas. Through the Hina no Yume Nojo Project, and as a part of employee welfare benefit schemes provided by the corporate sector, Pasona promotes the use of agricultural land to foster exchange between the Prefecture and urban human resources. In addition, Pasona Career, in close collaboration with local government authorities, is developing a second life assistance business, providing U-turn employment support to the baby boomer generation and the middle-aged and elderly.



Closing ceremony for participants in the Hina no Sato Juku Agricultural Internship Project. Participants completed a curriculum comprising crop work as well as technical and sales training.

### Pasona Wakayama

3rd floor, Nissay Wakayama Building  
24 Rokubancho, Wakayama,  
Wakayama Prefecture 640-8154  
TEL: +81-73-433-1411

## KOBE

With the completion of the new Kobe airport in February 2006, the area continues to engender increased attraction and appeal. An area historically characterized by its international ambiance, Kobe is a hotpot of foreign companies seeking skilled workers and a source of substantial employment-related information for jobs requiring English language skills. In the aftermath of the Great Hanshin Earthquake, Pasona worked tirelessly to support efforts in reconstruction and rehabilitation. On this basis we have nurtured deep ties with the Kobe area.

Going forward, we will work hand in hand with the local community. Pasona Kobe will strive to accurately address the needs of client firms and create an oasis where job seekers can freely call for advice and support.



Presenting a bright and appealing environment, Pasona Kobe welcomes seekers looking for employment advice.

### Pasona Kobe

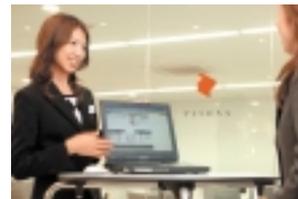
18th floor, Kobe International House  
8-1-6 Miyuki-dori, Chuo-ku,  
Kobe 651-0087  
TEL: +81-78-272-9560

### Pasona Himeji

2nd floor, Shin Himeji Building  
140 Toyosawa-cho,  
Himeji 670-0964  
TEL: +81-792-23-0881

## KYOTO • SHIGA • NARA

Established as a joint venture between leading local companies and Pasona Inc., Pasona Kyoto Inc. engages in employment support activities covering the Kyoto, Shiga and Nara areas. Maintaining close ties of trust with the local business community, and through employment opportunity introductions, Pasona Kyoto provides job seekers with a greater sense of security and comfort. As a temporary staffing company in tune with the local community, Pasona Kyoto will pursue continued growth together with regional economies.



### Pasona Kyoto Inc. (Head Office)

Shijo KM Building  
Tohokukado, Sakaimachi Shijodori,  
Shimogyo-ku, Kyoto 600-8006  
TEL: +81-75-241-4447

### Shiga Branch

Neoffice Kusatsu Building  
1-15-5 Oji, Kusatsu 525-0032  
TEL: +81-77-565-7737

### Nara Branch

Keiwa Building  
48-5 Takama-cho, Nara 630-8241  
TEL: +81-742-24-1010

- **Consolidated net sales increased 15.2% compared with the corresponding period of the previous fiscal year to ¥113.2 billion. Double-digit year-on-year percentage growth is attributed to healthy expansion in the mainstay temporary staffing and contracting business as well as growth in the placement and recruiting and outplacement businesses.**
- **Gross profit rose in line with sales growth. Operating income surged 38.1% year on year to ¥4.3 billion while ordinary income jumped 41.5% to ¥4.4 billion. Net income for the first half of the fiscal year under review climbed 39.8% to ¥2.1 billion reflecting the carry-forward of certain selling, general and administrative expenses into the next six-month period.**
- **For the full fiscal year ending May 31, 2007, Pasona is forecasting double-digit percentage growth in consolidated revenues and earnings, which remains in line with estimates identified at the beginning of the period.**
- **Pasona has declared an interim cash dividend payment of ¥1,000 per common share.**

In the first half of the fiscal year ending May 31, 2007 (June 1, 2006 to November 30, 2006), the Japanese economy continued its growth trajectory led by the corporate sector. From an employment perspective, conditions in Japan were characterized by an overall upward swing. Despite little movement in employment compensation levels, the unemployment rate fell slightly. Accounting for these factors, concerns of a labor shortage persisted throughout the corporate sector.

Buoyed by an increase in temporary staff employment, the Pasona Group enjoyed robust conditions in its mainstay

Note: Results by business segment include intersegment sales and transfers.

#### Consolidated Results for the 1st Half of the Fiscal Year Ending May 31, 2007

| (Millions of yen) | 05/11  | (%)     | 06/11   | (%)     | Increase/Decrease | YoY    | (%)    |
|-------------------|--------|---------|---------|---------|-------------------|--------|--------|
| Net sales         | 98,247 | (100.0) | 113,202 | (100.0) | 14,955            | +15.2% | (—)    |
| Cost of sales     | 78,833 | (80.2)  | 90,233  | (79.7)  | 11,400            | +14.5% | (-0.5) |
| Gross profit      | 19,414 | (19.8)  | 22,969  | (20.3)  | 3,555             | +18.3% | (+0.5) |
| SGA expenses      | 16,290 | (16.6)  | 18,654  | (16.5)  | 2,364             | +14.5% | (-0.1) |
| Operating income  | 3,123  | (3.2)   | 4,314   | (3.8)   | 1,191             | +38.1% | (+0.6) |
| Ordinary income   | 3,103  | (3.2)   | 4,392   | (3.9)   | 1,288             | +41.5% | (+0.7) |
| Net income        | 1,482  | (1.5)   | 2,073   | (1.8)   | 590               | +39.8% | (+0.3) |

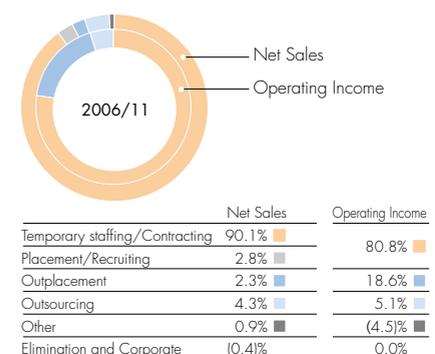
business. At the same time, results in the placement and recruiting as well as the outplacement businesses exceeded forecasts at the beginning of the period. As a result, net sales for the period under review totaled ¥113,202 million, a double-digit percentage increase of 15.2% compared with the corresponding period of the previous fiscal year. On the earnings front, the Group's performance was boosted by growth in the relatively high-profit placement and recruiting and outplacement businesses. At the same time, results benefited from the decision to delay payment of certain selling, general and administrative (SG&A) expenses to the second half of the fiscal year ending May 31, 2007. Based on the aforementioned, consolidated operating income amounted to ¥4,314 million, a significant improvement of 38.1% compared with the corresponding period of the previous fiscal year. Consolidated ordinary income surged 41.5% year on year to ¥4,392 million and net income climbed 39.8% to ¥2,073 million. These figures represented a substantial increase over forecasts at the beginning of the period.

#### Business Segment Information

##### Temporary staffing / Contracting, Placement / Recruiting Temporary staffing / Contracting

Demand remained strong in the manufacturing industry including the electric appliance, automobile and other sectors, and the finance industry. In addition, demand for personnel was high from the telecommunications industry following the introduction of the number portability system for mobile phones in the second quarter. By job type, both clerical staff (general office work) and technical staff including specialists in financial administration and telemarketing experienced double-digit percentage growth. From a geographical

#### Segment Share Information (Consolidated)



perspective, results were steady in the Tokyo Metropolitan area and the Tokai region. Throughout the period under review, the Pasona Group worked tirelessly to expand the scope of employee welfare benefits and further enhance treatment. Accordingly, the Group was successful in containing the number of temporary staff contract completions. As a result of these efforts, the Company experienced growth in the number of temporary staff contract starts as well as long-term temporary staff at work. In addition to the procurement of new registrants, Pasona also increased the number of long-term temporary staff through the detailed implementation of job opportunities to existing registrants. Buoyed by temporary staffing business growth at subsidiary companies and contributions from Socio Inc., a company absorbed by Pasona's at the end of the previous fiscal year, net sales climbed 13.8% compared with the corresponding period of the previous fiscal year to ¥101,937 million.

#### Placement/Recruiting

In the Placement and Recruiting segment demand remained strong particularly from the finance, IT-related and other sectors. Fueled by the sharp increase in new graduate employment as well as graduate employees with limited work experience, the market experienced a further pickup in inexperienced employees based on potential. The Pasona Group engages in placement and recruiting activities mainly through its specialist subsidiary Pasona Carent, Inc. (currently Pasona Career, Inc.). This company strives to expand its business while at the same time providing valuable support to women and the young age group. As a result of these efforts, net sales in the Placement and Recruiting segment were ¥1,876 million, up 41.0% compared with the corresponding period of the

previous fiscal year. Turning to the Group's overseas operations in the Placement and Recruiting segment, Pasona enjoyed steady growth in Europe and the United States. Results were also supported by subsidiary companies throughout Asia. Accounting for these factors, net overseas sales in the Placement and Recruiting segment totaled ¥1,344 million, a substantial jump of 83.7% year on year.

Combining domestic and overseas results, total net sales in this segment climbed 56.1% compared with the corresponding period of the previous fiscal year to ¥3,220 million.

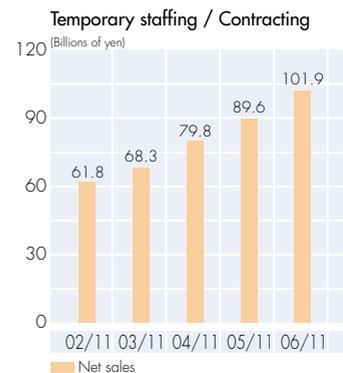
On the earnings front, in the Temporary staffing segment, the margin between unit prices at the invoice level and unit prices at the payment level saw a modest improvement. Despite this positive trend, however, the gross profit margin on temporary staffing activities declined year on year. This was attributed to a review of the rate applicable to employee pensions and the rise in statutory welfare expenses, which reflected the increase in social insurance subscribers and the trend toward long-term temporary staffing contracts. Lower gross profit margins in the temporary staffing business were absorbed by significant improvements in the relatively high-profit placement and recruiting business.

Accounting for the aforementioned factors, net sales in temporary staffing / contracting and placement / recruiting amounted to ¥105,158 million, an increase of 14.7% compared with the corresponding period of the previous fiscal year. Operating income for the period under review climbed 23.2% year on year to ¥3,487 million.

#### Results by Business Segment

| Net Sales                       | (Millions of yen) |         |        |
|---------------------------------|-------------------|---------|--------|
|                                 | 05/11             | 06/11   | YoY    |
| Temporary staffing /Contracting | 89,610            | 101,937 | +13.8% |
| Placement/Recruiting            | 2,062             | 3,220   | +56.1% |
| Outplacement                    | 1,898             | 2,589   | +36.4% |
| Outsourcing                     | 4,064             | 4,918   | +21.0% |
| Other                           | 1,024             | 992     | (3.1)% |
| Elimination and Corporate       | (414)             | (456)   | —      |

| Operating Income                                      | (Millions of yen) |       |        |
|---|-------------------|-------|--------|
|   | 05/11             | 06/11 | YoY    |
| Temporary staffing /Contracting, Placement/Recruiting | 2,831             | 3,487 | +23.2% |
| Outplacement  | 486               | 802   | +64.7% |
| Outsourcing   | 110               | 221   | +99.6% |
| Other   | (302)             | (196) | —      |
| Elimination and Corporate                             | (4)               | 0     | —      |



### ■ Outplacement

The Pasona Group recognizes a shift in its outplacement business from conventional outplacement services to welfare benefit type outplacement services. In addition to the broadening scope of activities, the Company is pursuing measures in response to optional retirement systems and voluntary early retirement programs, supporting those seeking a second life in rural areas, and providing human resource services to the middle aged and elderly including the baby boomer generation. Pasona benefited from large-scale orders in the second half of the previous fiscal year. The broadening of human resource services and outplacement orders from local public authorities also boosted results. Accordingly, net sales in the Outplacement segment rose 36.4% compared with the corresponding period of the previous fiscal year to ¥2,589 million in the first half of the fiscal year ending May 31, 2007. In addition to this substantial improvement in revenues, the Company experienced an increase in office and consulting operating rates. Accounting for these factors, operating income for the period under review surged 64.7% year on year to ¥802 million.

### ■ Outsourcing

The Pasona Group enjoyed continued demand for employee benefit outsourcing services not only from its mainstay large corporate customers and public authorities, but also small and medium-sized venture companies. This was attributed to the growing recognition by employers for the need to enhance employee benefit systems and programs and to raise the level of employee satisfaction. Under these circumstances, Benefit One Inc., as the leading provider of employee benefit

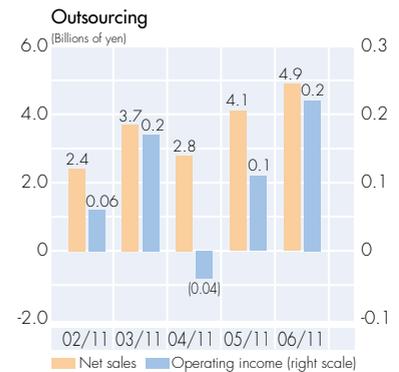
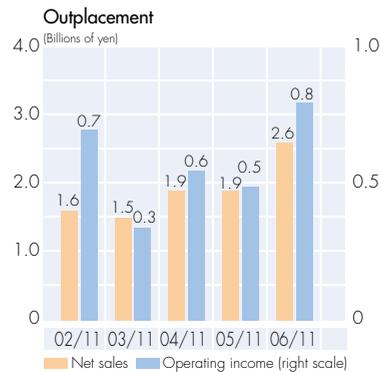
outsourcing services in its industry, worked diligently to provide an employee benefit menu that accurately matched employee needs with value. At the same time, Benefit One strengthened its cafeteria plan (selection-type employee benefit program) and actively promoted sales activities. As a result of these efforts, the Company secured large-scale customers in both the private and public sectors and successfully increased the number of members.

In the area of small and medium-sized companies, Benefit One utilized proprietary customer development measures as well as the agency services of financial and other institutions. Benefit One also developed the "Customer Loyalty Program" in an effort to restructure the service contents of benefit programs and cultivate new businesses. Results in this area have progressed at a slower than expected pace with the timing of service commencement for certain client firms delayed to the second half of the fiscal year under review.

As a result, net sales in the Outsourcing segment increased 21.0% compared with the corresponding period of the previous fiscal year to ¥4,918 million. Buoyed by the upswing in revenues from the highly profitable employee benefit services business and cost control initiatives favorably impacting SG&A expenses, operating income nearly doubled to ¥221 million, a 99.6% year-on-year increase.

### ■ Other

Conditions remained steady in the child-care and nursing care businesses. In its Internet-based recruitment advertising business, Pasona successfully narrowed its operating loss through the effective use of established know-how, and efforts to curtail investment in promotion costs reflecting the change



of business to complement existing human resource-related businesses. In contrast to these positive circumstances, the Company was impacted by delays associated with the full-fledged start of certain new businesses and the sale of a subsidiary engaged in the management and operation of personal computer (PC) training classes at the beginning of the fiscal year under review. Accounting for these factors, net sales in the Other segment in the first half of the fiscal year ending May 31, 2007 declined 3.1% compared with the corresponding period of the previous fiscal year to ¥992 million. As mentioned, the operating loss was ¥196 million, down from ¥302 million in the first half of the fiscal year ended May 31, 2006.

#### Outlook for the Fiscal Year Ending May 31, 2007

Continued steady demand for personnel is forecast during the remainder of the fiscal year ending May 31, 2007. At the same time, however, increasingly difficult conditions are anticipated in connection with the registration of temporary staff. This is expected to accentuate a tight operating environment in the supply of human resources. Under these circumstances, Pasona will focus efforts on expanding activities in its mainstay temporary staffing business and further fortifying placement and recruiting operations. As a part of these efforts, the Company is committed to undertaking new investments as well as other initiatives and proactively stepping up endeavors toward business development.

In the temporary staffing business, the number of long-term staff is expected to remain firm during the second half of the fiscal year under review. This is attributed to the growth in demand for personnel from the corporate sector, and a positive

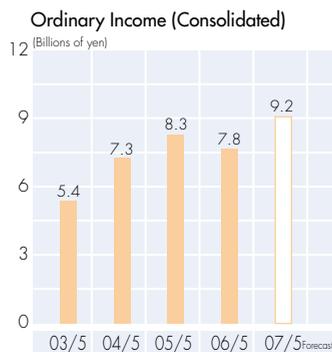
turnaround in the volume of large-scale orders received and in the performance of regional branches. While the spread between unit prices at the invoice and payment levels experienced a moderate upswing during the first half, the overall spread is expected to narrow slightly compared with estimates at the beginning of the fiscal year. This is due to the impact of certain large-scale orders.

In its effort to secure human resources, Pasona will continue to pursue existing measures, which include efforts to attract high-quality staff and to bolster employment introduction of existing registrants. In addition, the Company will work toward securing new registrants by opening new registration offices. In spring 2007, Pasona plans to open a new registration office in Omotesando. This office will cater to registration on weekends, public holidays and late evenings. With these initiatives, the Company is expected to expand its registrant pool. Due to its location, the Omotesando Office is likely to attract job seekers in the young age bracket. Pasona will also focus on reinforcing temporary staffing in sales positions.

Driven by the aforementioned proactive measures, Pasona is anticipating double-digit percentage revenue growth on a year-on-year basis in the temporary staffing business, in line with estimates at the beginning of the period.

In July 2006, Pasona Youth Inc. was established, the result of a merger between two subsidiary companies. In providing a full range of employment services to new graduates and those with limited experience in the workforce, Pasona Youth strives to boost the Group's placement and recruiting business, targeting the young age bracket. In addition, Pasona Carent Inc., a company engaged in placement and recruiting activities, and

#### Full-Year Forecasts



Pasona career assets Inc., a company engaged in outplacement activities, merged in January 2007 to form Pasona Career Inc. With this initiative, Pasona has made a fresh start in its efforts to assist employees seeking a career change and to pursue outplacement activities on a nationwide scale. While Pasona continues to adopt an aggressive stance toward securing a top position in the placement and recruiting segment and to expand its business activities, the recruitment of consultants has fallen slightly below plans in the second half of the fiscal year under review. Compared to the first half, the pace of growth has slowed. For the full fiscal year, however, Pasona expects to match its original estimates.

In the outplacement business, the Company experienced growth rates during the first half of the fiscal year ending May 31, 2007 that outstripped estimates at the beginning of the period. This is expected to fall back to a more moderate pace during the second half and essentially match initial plans on a full fiscal year basis. Pasona also forecasts similar conditions and results for the outsourcing business.

As a part of the Company's efforts to strengthen relations with its customers, Pasona plans to complete construction this spring of a presentation booth within the Shin Marunouchi Building in Tokyo. This booth will enable visitors to experience the full range of the Pasona Group's services. In addition to

building a structure and system that will showcase the Group's comprehensive services from temporary staffing through personnel consulting and outsourcing, Pasona will also cement its position as a human resource partner to the corporate sector. At the same time, the Company is confident of expanding the number of registrants in specialist and executive level human resource fields.

From an earnings perspective, gross profit margins in the temporary staffing business are expected to decline slightly reflecting the increased burden of social insurance payments and the impact of certain large-scale orders. Furthermore, full fiscal year forecasts for revenues and earnings are not expected to change from initial estimates. This is attributed to the impact of new investment initiatives geared toward future growth and selling, general and administrative expenses deferred from the first half to the second half.

From the fiscal year ending May 31, 2007, Pasona plans to pay a cash dividend twice yearly. The Company will pay an interim cash dividend of ¥1,000 per common share at the end of the first six-month period and expects to pay a fiscal year-end cash dividend of ¥1,000 per common share. In this event, the full-year cash dividend will be ¥2,000 per common share, an increase of ¥200 compared with the previous fiscal year.

**COMING  
SOON!!**

## New Branches at Omotesando and Marunouchi to Open



Alteka Plaza, one minute on foot from Meijijingumae.

### Omotesando

With its balance of residential, retail and commercial activity, Omotesando attracts visitors and interest from around the nation.

Plans are in place for Pasona to open an Omotesando Office in spring 2007. Operating hours for the new office will include Saturdays and Sundays as well as late evenings, resulting in greater flexibility for job seekers and visitors.

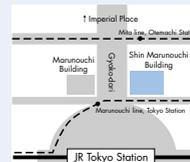
In addition to recruiting and registering young job seekers and sales staff, the Omotesando Office will provide a host of services including a relaxation salon, counseling and training.



The Shin Marunouchi Building, scheduled for completion spring 2007.

### Marunouchi

Complementing the Omotesando Office, an office catering to the needs of temporary staff, Pasona plans to open a second new branch in the heart of Tokyo's commercial business district, Marunouchi, to address the needs of client firms. Located in the Shin Marunouchi Building, the new office will serve as a landmark for the Pasona Group network. Marunouchi Office will offer a presentation area that will allow visitors to experience the full range of the Group's services. As a personnel partner to the corporate sector, the office will also provide services to client firms. Given its location at the heart of Tokyo's CBD, Marunouchi will also serve as a registration office for specialist job seekers and executive personnel.



## Interim Consolidated Balance Sheets (Summary)

(Millions of yen)

|   | 1st Half,<br>FY ended 2006<br><small>(As of November 30, 2005)</small> | 1st Half,<br>FY ending 2007<br><small>(As of November 30, 2006)</small> |
|---|--|---|
| <b>ASSETS</b>   |  |   |
| Current assets  | 31,660   | 36,020  |
| Fixed assets  | 11,865   | 13,897  |
| Property and equipment  | 3,509  | 3,826   |
| Intangible assets   | 2,213  | 2,520   |
| Investments and other assets  | 6,142  | 7,550   |
| <b>Total assets</b>   | <b>43,526</b>  | <b>49,918</b>   |
| <b>LIABILITIES</b>  |  |   |
| Current liabilities   | 17,395   | 23,644  |
| Long-term liabilities   | 1,337  | 1,700   |
| <b>Total liabilities</b>  | <b>18,733</b>  | <b>25,345</b>   |
| <b>MINORITY INTERESTS</b>   |  |   |
| Minority interests  | 3,283  | —   |
| <b>SHAREHOLDERS' EQUITY</b>   |  |   |
| Common stock  | 8,297  | —   |
| Capital surplus   | 7,432  | —   |
| Retained earnings   | 5,562  | —   |
| Net unrealized holding gain on other securities                       | 188  | —   |
| Foreign currency translation adjustment                               | 28   | —   |
| <b>Total shareholders' equity</b>                                     | <b>21,509</b>  | <b>—</b>  |
| <b>Total liabilities, minority interests and shareholders' equity</b> | <b>43,526</b>  | <b>—</b>  |
| <b>NET ASSETS</b>   |  |   |
| Total shareholders' equity  | —  | 20,438  |
| Total valuation and conversions                                       | —  | 173   |
| Minority interests  | —  | 3,961   |
| <b>Total net assets</b>   | <b>—</b>   | <b>24,573</b>   |
| <b>Total liabilities and net assets</b>                               | <b>—</b>   | <b>49,918</b>   |

**Current Liabilities**

Current liabilities rose ¥6,249 million compared with the corresponding period of the previous fiscal year. This is mainly attributed to an increase in short-term loans payable of ¥2,965 million to ¥3,275 million to fund the acquisition of treasury stock.

**Net Assets**

From the fiscal year ended May 31, 2006, the Company has adopted a new accounting method. Under this revised method, shareholders' equity recorded up to the fiscal year ended May 31, 2005 is recorded as net assets. The amount of common stock applicable to net assets is ¥20,611 million.

## Interim Consolidated Statements of Income (Summary)

(Millions of yen)

|  | 1st Half,<br>FY ended 2006<br><small>(June 1, 2005 to November 30, 2005)</small> | 1st Half,<br>FY ending 2007<br><small>(June 1, 2006 to November 30, 2006)</small> |
|--|--|---|
| <b>Net sales</b>   | <b>98,247</b>  | <b>113,202</b>  |
| Cost of sales  | 78,833   | 90,233  |
| <b>Gross profit</b>                                      | <b>19,414</b>  | <b>22,969</b>   |
| Selling, general and administrative expenses             | 16,290   | 18,654  |
| <b>Operating income</b>                                  | <b>3,123</b>   | <b>4,314</b>  |
| Non-operating income                                     | 60   | 132   |
| Non-operating expenses                                   | 80   | 55  |
| <b>Ordinary income</b>                                   | <b>3,103</b>   | <b>4,392</b>  |
| Extraordinary gain                                       | —  | 0   |
| Extraordinary loss                                       | 64   | 117   |
| <b>Income before income taxes and minority interests</b> | <b>3,038</b>   | <b>4,274</b>  |
| Income taxes — current                                   | 1,426  | 2,077   |
| Income taxes — deferred                                  | (20)   | (64)  |
| Minority interests                                       | 150  | 188   |
| <b>Net Income</b>  | <b>1,482</b>   | <b>2,073</b>  |

**Net Sales**

For interim period of the fiscal year under review, net sales climbed ¥14,955 million, or 15.2%, compared with the corresponding period of the previous fiscal year. In addition to sales growth in the mainstay temporary staffing and contracting business, this increase is attributed to steady performances in the placement and recruiting, outplacement and outsourcing businesses.

**Operating Income**

Operating income showed a marked improvement, climbing 38.1% compared with the corresponding period of the previous fiscal year. This is attributed to an increase in the relatively high-profit placement and recruiting and outplacement businesses as well as the decision to defer certain selling, general and administrative expenses slated for the first half of the fiscal year to the second half. Accounting for these factors, the operating income margin was 3.8%.

**Net Income**

Net income climbed ¥590 million compared with the corresponding period of the previous fiscal year to ¥2,073 million. Interim net income per share was ¥4,896.12, an increase of ¥1,468.35 year on year.

## Interim Consolidated Statements of Retained Earnings

(Millions of yen)

|  | 1st Half,<br>FY ended 2006<br><small>(June 1, 2005 to November 30, 2005)</small> | 1st Half,<br>FY ending 2007<br><small>(June 1, 2006 to November 30, 2006)</small> |
|--|--|---|
|--|--|---|

## CAPITAL SURPLUS

|  |       |   |
|--|-------|---|
| Capital surplus at the beginning of the period | 7,420 | — |
| Increase in capital surplus                    | 12    | — |
| Increase due to new share issuance             | 12    | — |
| Capital surplus at the end of the period       | 7,432 | — |

## RETAINED EARNINGS

|  |       |   |
|--|-------|---|
| Retained earnings at the beginning of the period | 4,821 | — |
| Increase in retained earnings                    | 1,482 | — |
| Net income                                       | 1,482 | — |
| Decrease in retained earnings                    | 741   | — |
| Dividends  | 648   | — |
| Bonuses for directors                            | 92    | — |
| Retained earnings at the end of the period       | 5,562 | — |

## Interim Consolidated Statements of Cash Flows (Summary)

(Millions of yen)

|  | 1st Half,<br>FY ended 2006<br><small>(June 1, 2005 to November 30, 2005)</small> | 1st Half,<br>FY ending 2007<br><small>(June 1, 2006 to November 30, 2006)</small> |
|--|--|---|
|--|--|---|

|  |         |         |
|--|---------|---------|
| Cash flows from operating activities                         | 406     | (91)    |
| Cash flows from investing activities                         | (2,076) | (1,778) |
| Cash flows from financing activities                         | (712)   | (2,172) |
| Effect of exchange rate changes on cash and cash equivalents | 34      | 14      |
| Net decrease in cash and cash equivalents                    | (2,347) | (4,027) |
| Cash and cash equivalents at beginning of the period         | 12,203  | 14,656  |
| Cash and cash equivalents at end of the period               | 9,856   | 10,629  |

Interim Consolidated Statements of Changes in Shareholders' Equity (June 1, 2006 to November 30, 2006)

(Millions of yen)

|   | Shareholders' Equity |                       |                   |                |                            | Valuation and Conversions                       |   |                                 | Minority Interests | Total Net Assets |
|---|----------------------|-----------------------|-------------------|----------------|----------------------------|---|---|---------------------------------|--------------------|------------------|
|   | Common Stock         | Shareholders' surplus | Retained Earnings | Treasury Stock | Total Shareholders' Equity | Net Unrealized Holding Gain on Other Securities | Foreign Currency Translation Adjustment | Total Valuation and Conversions |                    |                  |
| Balance as of May 31, 2006  | 8,322                | 7,457                 | 7,664             | —              | 23,444                     | 140   | 61                                      | 201                             | 3,988              | 27,634           |
| Movements during the first half of the fiscal year ending May 31, 2007              |                      |                       |                   |                |                            |   |   |                                 |                    |                  |
| Issuance of new shares  | 7                    | 7                     | —                 | —              | 14                         | —   | —                                       | —                               | —                  | 14               |
| Distribution of surplus   | —                    | —                     | (779)             | —              | (779)                      | —   | —                                       | —                               | —                  | (779)            |
| Net income  | —                    | —                     | 2,073             | —              | 2,073                      | —   | —                                       | —                               | —                  | 2,073            |
| Payment of directors' bonus   | —                    | —                     | (2)               | —              | (2)                        | —   | —                                       | —                               | —                  | (2)              |
| Acquisition of treasury stock   | —                    | —                     | —                 | (4,287)        | (4,287)                    | —   | —                                       | —                               | —                  | (4,287)          |
| Decrease due to the decrease in subsidiary companies                                | —                    | —                     | (23)              | —              | (23)                       | —   | —                                       | —                               | —                  | (23)             |
| Net change in line items other than shareholders' equity                            | —                    | —                     | —                 | —              | —                          | (41)  | 13                                      | (28)                            | (26)               | (55)             |
| Total due to movements during the first half of the fiscal year ending May 31, 2007 | 7                    | 7                     | 1,267             | (4,287)        | (3,005)                    | (41)  | 13                                      | (28)                            | (26)               | (3,060)          |
| Balance as of November 30, 2006   | 8,329                | 7,464                 | 8,931             | (4,287)        | 20,438                     | 98  | 74                                      | 173                             | 3,961              | 24,573           |

In accordance with the revision to accounting standards, the Company has discontinued the preparation of a consolidated statement of retained earnings, and has prepared a consolidated statement of shareholders' equity from the fiscal year ended May 2006.

## Interim Non-Consolidated Balance Sheets (Summary)

|   | (Millions of yen)  |   |
|---|--|---|
|   | 1st Half,<br>FY ended 2006<br><small>(As of November 30, 2005)</small> | 1st Half,<br>FY ending 2007<br><small>(As of November 30, 2006)</small> |
| <b>ASSETS</b>                                   |  |   |
| Current assets                                  | 16,300   | 18,065  |
| Fixed assets                                    | 16,796   | 14,590  |
| Property and equipment                          | 2,430  | 2,522   |
| Intangible fixed assets                         | 694  | 576   |
| Investments and other assets                    | 13,671   | 11,491  |
| <b>Total assets</b>                             | <b>33,097</b>  | <b>32,656</b>   |
| <b>LIABILITIES</b>                              |  |   |
| Current liabilities                             | 9,929  | 14,410  |
| Long-term liabilities                           | 707  | 837   |
| <b>Total liabilities</b>                        | <b>10,637</b>  | <b>15,247</b>   |
| <b>SHAREHOLDERS' EQUITY</b>                     |  |   |
| Common stock                                    | 8,297  | —   |
| Capital surplus                                 | 7,432  | —   |
| Retained earnings                               | 6,635  | —   |
| Net unrealized holding gain on other securities | 93   | —   |
| <b>Total shareholders' equity</b>               | <b>22,459</b>  | <b>—</b>  |
| <b>Liabilities and shareholders' equity</b>     | <b>33,097</b>  | <b>—</b>  |
| <b>NET ASSETS</b>                               |  |   |
| Total shareholders' equity                      | —  | 17,379  |
| Total valuation and conversions                 | —  | 29  |
| <b>Total net assets</b>                         | <b>—</b>   | <b>17,408</b>   |
| <b>Total liabilities and net assets</b>         | <b>—</b>   | <b>32,656</b>   |

## Interim Non-Consolidated Statements of Income (Summary)

|  | (Millions of yen)  |   |
|--|--|---|
|  | 1st Half,<br>FY ended 2006<br><small>(June 1, 2005 to November 30, 2005)</small> | 1st Half,<br>FY ending 2007<br><small>(June 1, 2006 to November 30, 2006)</small> |
| Net sales  | 70,463   | 79,281  |
| Cost of sales  | 59,141   | 66,669  |
| Gross profit   | 11,321   | 12,611  |
| Selling, general and administrative expenses                     | 9,214  | 10,268  |
| Operating income   | 2,106  | 2,343   |
| Non-operating income   | 145  | 189   |
| Non-operating expenses   | 26   | 30  |
| Ordinary income  | 2,226  | 2,502   |
| Extraordinary gain   | —  | 327   |
| Extraordinary loss   | 140  | 2,470   |
| Income before income taxes                                       | 2,085  | 359   |
| Income taxes — current   | 820  | 1,032   |
| Income taxes — deferred  | 29   | 57  |
| <b>Net income (loss)</b>   | <b>1,236</b>   | <b>(730)</b>  |
| Previous period's retained earnings brought forward              | 899  | —   |
| <b>Unappropriated retained earnings at the end of the period</b> | <b>2,135</b>   | <b>—</b>  |

## Interim Non-Consolidated Statements of Changes in Shareholders' Equity (June 1, 2006 to November 30, 2006)

|   | Shareholders' Equity |                 |                       |                       |   |                                   |                         |                | Valuation and Conversion<br>Net Unrealized Holding Gain on Other Securities | Total Net Assets |                            |
|---|----------------------|-----------------|-----------------------|-----------------------|---|-----------------------------------|-------------------------|----------------|---|------------------|----------------------------|
|   | Common Stock         | Capital Surplus |                       |                       | Retained Earnings                       |                                   |                         | Treasury Stock |   |                  | Total Shareholders' Equity |
|   |                      | Capital Reserve | Other Capital Surplus | Total Capital Surplus | Other Retained Earnings General Reserve | Retained Earnings Brought Forward | Total Retained Earnings |                |   |                  |                            |
| Balance as of May 31, 2006  | 8,322                | 3,860           | 3,597                 | 7,457                 | 4,500                                   | 2,882                             | 7,382                   | —              | 23,162  | 47               | 23,209                     |
| Movements during the 1st half of the fiscal year ending May 31, 2007          |                      |                 |                       |                       |   |                                   |                         |                |   |                  |                            |
| Issuance of new shares  | 7                    | 7               | —                     | 7                     | —                                       | —                                 | —                       | —              | 14  | —                | 14                         |
| Distribution of surplus   | —                    | —               | —                     | —                     | —                                       | (779)                             | (779)                   | —              | (779)   | —                | (779)                      |
| Interim net loss  | —                    | —               | —                     | —                     | —                                       | (730)                             | (730)                   | —              | (730)   | —                | (730)                      |
| Acquisition of treasury stock   | —                    | —               | —                     | —                     | —                                       | —                                 | —                       | (4,287)        | (4,287)   | —                | (4,287)                    |
| Net change in line items other than shareholders' equity                      | —                    | —               | —                     | —                     | —                                       | —                                 | —                       | —              | —   | (18)             | (18)                       |
| Total of movements during the 1st half of the fiscal year ending May 31, 2007 | 7                    | 7               | —                     | 7                     | —                                       | (1,509)                           | (1,509)                 | (4,287)        | (5,782)   | (18)             | (5,801)                    |
| <b>Balance as of November 30, 2006</b>  | <b>8,329</b>         | <b>3,867</b>    | <b>3,597</b>          | <b>7,464</b>          | <b>4,500</b>                            | <b>1,372</b>                      | <b>5,872</b>            | <b>(4,287)</b> | <b>17,379</b>   | <b>29</b>        | <b>17,408</b>              |

In accordance with the revision to accounting standards, the Company has discontinued the preparation of a statement of retained earnings, and has prepared a statement of shareholders' equity from the fiscal year ended May 2006.

| Interim Results(Consolidated)                         |  | (Millions of yen) |                   |                   |                   |                   |                    |
|---|--|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|
|   |  | FY ended May 2002 | FY ended May 2003 | FY ended May 2004 | FY ended May 2005 | FY ended May 2006 | FY ending May 2007 |
|   |  | 01/11 (1H)        | 02/11 (1H)        | 03/11 (1H)        | 04/11 (1H)        | 05/11 (1H)        | 06/11 (1H)         |
| <b>Results</b>  | Net sales                                    | 66,593            | 66,822            | 74,641            | 87,016            | 98,247            | 113,202            |
|   | Gross profit margin                          | 17.6%             | 18.9%             | 20.1%             | 20.6%             | 19.8%             | 20.3%              |
|   | Selling, general and administrative expenses | 9,823             | 10,386            | 12,091            | 13,905            | 16,290            | 18,654             |
|   | SG&A expenses ratio                          | 14.8%             | 15.6%             | 16.2%             | 16.0%             | 16.6%             | 16.5%              |
|   | Operating income                             | 1,878             | 2,211             | 2,892             | 3,982             | 3,123             | 4,314              |
|   | Operating income margin                      | 2.8%              | 3.3%              | 3.9%              | 4.6%              | 3.2%              | 3.8%               |
|   | Ordinary income                              | 1,738             | 2,086             | 2,707             | 3,990             | 3,103             | 4,392              |
|   | Ordinary income margin                       | 2.6%              | 3.1%              | 3.6%              | 4.6%              | 3.2%              | 3.9%               |
|   | Net income                                   | 822               | 931               | 1,272             | 2,319             | 1,482             | 2,073              |
|   | Net income to net sales                      | 1.2%              | 1.4%              | 1.7%              | 2.7%              | 1.5%              | 1.8%               |
| <b>Financial Position</b>                             | Total assets                                 | 24,808            | 26,796            | 32,759            | 39,150            | 43,526            | 49,918             |
|   | Net assets                                   | 3,824             | 7,316             | 13,374            | 18,381            | 21,509            | 24,573             |
|   | Shareholders' equity ratio                   | 15.4%             | 27.3%             | 40.8%             | 47.0%             | 49.4%             | 41.3%              |
|   | Current ratio                                | 117.0%            | 122.7%            | 146.9%            | 177.2%            | 182.0%            | 152.3%             |
| <b>Per Share Data</b>                                 | Net income (Yen)                             | 31,239.15         | 6,821.95          | 9,252.53          | 5,422.71          | 3,427.77          | 4,896.12           |
|   | Total shareholders' equity (Yen)             | 145,291.51        | 53,559.69         | 94,443.66         | 42,595.58         | 49,707.75         | 49,581.02          |
| <b>Number of Employees *Excludes contract workers</b> |  | 1,393             | 1,501             | 1,886             | 2,000             | 2,297             | 2,761              |

## Full-year Results (Consolidated)

|   |  | 02/5       | 03/5      | 04/5       | 05/5      | 06/5      |
|---|--|------------|-----------|------------|-----------|-----------|
| <b>Results</b>  | Net sales                                    | 133,822    | 135,625   | 156,979    | 179,156   | 203,815   |
|   | Gross profit margin                          | 18.2%      | 19.7%     | 20.9%      | 20.8%     | 20.2%     |
|   | Selling, general and administrative expenses | 19,557     | 21,058    | 25,104     | 28,992    | 33,491    |
|   | SG&A expenses ratio                          | 14.6%      | 15.5%     | 16.0%      | 16.2%     | 16.4%     |
|   | Operating income                             | 4,786      | 5,687     | 7,648      | 8,238     | 7,745     |
|   | Operating income margin                      | 3.6%       | 4.2%      | 4.9%       | 4.6%      | 3.8%      |
|   | Ordinary income                              | 4,222      | 5,373     | 7,329      | 8,289     | 7,844     |
|   | Ordinary income margin                       | 3.2%       | 4.0%      | 4.7%       | 4.6%      | 3.8%      |
|   | Net income                                   | 1,974      | 2,027     | 3,647      | 4,363     | 3,588     |
|   | Net income to net sales                      | 1.5%       | 1.5%      | 2.3%       | 2.4%      | 1.8%      |
| <b>Financial Position</b>                             | Total assets                                 | 26,526     | 29,425    | 37,004     | 42,884    | 51,931    |
|   | Net assets                                   | 6,388      | 8,418     | 15,732     | 20,644    | 27,634    |
|   | Shareholders' equity ratio                   | 24.1%      | 28.6%     | 42.5%      | 48.1%     | 45.5%     |
|   | Current ratio                                | 121.6%     | 122.3%    | 160.2%     | 182.8%    | 170.8%    |
| <b>Per Share Data</b>                                 | Net income (Yen)                             | 73,738.60  | 14,813.83 | 25,713.38  | 9,933.92  | 8,292.17  |
|   | Total shareholders' equity (Yen)             | 233,808.15 | 61,600.04 | 110,676.06 | 47,510.68 | 54,599.58 |
| <b>Number of Employees *Excludes contract workers</b> |  | 1,537      | 1,687     | 1,979      | 2,204     | 2,608     |

Note: Pasona conducted a 5:1 stock split on July 22, 2002, and a 3:1 stock split on July 20, 2004, respectively.

## Group Companies

### ■ Temporary Staffing/Contracting, Placement/Recruiting

Pasona Kyoto Inc.  
 Pasona Okayama Inc.  
 Pasona Nakakyushu Inc.\*  
 Pasona Nagasaki Inc.\*  
 Pasona Tech, Inc.  
 Pasona Youth Inc.  
 Pasona Sourcing Inc.  
 Pasona Sparkle Inc.  
 Pasona Empower Inc.  
 Pasona Engineering Inc.  
 Pasona Career Inc.  
 Pasona Global Inc.  
 Pasona Logicom Inc.  
 Pasona Insurance Inc.  
 Pasona Sportsmate Inc.  
 Pasona Temp to Perm, Inc.  
 Pasona e-Professional, Inc.  
 Financial Sun Inc.\*

### ■ Outplacement

Pasona Career Inc.

### ■ Outsourcing

Benefit One Inc.  
 Pasona ADP Payroll, Inc.\*  
 National Examination Center Inc.\*

### ■ Other

Pasona Foster Inc.  
 Pasona Fortune Inc.  
 NARP Inc.  
 Pasona REP Power Inc.  
 Pasona Heartful Inc.  
 HR Partners Inc.  
 Kansai Employment Creation Organization Inc.\*  
 Kantou Employment Creation Organization Inc.\*  
 e-Staffing Co., Ltd.\*

### ■ Overseas

Pasona NA New York Atlanta Los Angeles  
 South Bay Orange County San Jose San Francisco

Pasona Canada Toronto

Pasona Europe London

Pelham Search Pacific Hong Kong

Pelham International London

Pasona Education Hong Kong

Pasona Asia Hong Kong

Pasona Taiwan Taipei Hsinchu Kaohsiung

MGR Search and Selection Taipei

Pasona Employment Agency (Thailand) Bangkok

Pasona Singapore Singapore

Pasona Management Consultancy (Shenzhen) Shenzhen

Pasona Human Resources(Shanghai)\* Shanghai Guang Zhou

※Newly consolidated

### ■ Pasona Inc. Network in Japan (Including joint ventures)

Sapporo, Aomori, Morioka, Sendai, Fukushima, Koriyama, Utsunomiya, Takasaki, Hitachi, Mito, Tskuba, Saitama, Kawagoe, Kashiwa, Chiba, Funabashi, Shinyokohama, Kawasaki, Yokohama, Atsugi, Fujisawa, Chiyoda, Shinjuku, Ginza, Ueno, Kinshicho, Shibuya, Ikebukuro, Shinagawa, Tachikawa, Numazu, Shizuoka, Hamamatsu, Kakegawa, Toyohashi, Okazaki, Nagoya, Sakae, Toyota, Handa, Niigata, Nagano, Matsumoto, Gifu, Yokkaichi, Toyama, Kanazawa, Fukui, Shiga, Kyoto, Nara, Wakayama, Osaka, Namba, Kobe, Himeji, Matsue, Okayama, Kurashiki, Fukuyama, Onomichi, Mihara, Hiroshima, Yamaguchi, Takamatsu, Tokushima, Matsuyama, Kochi, Kitakyushu, Fukuoka, Nagasaki, Sasebo, Isahaya, Kumamoto, Oita, Miyazaki, Kagoshima

Note: Pasona career assets Inc. and Pasona Carent, Inc. merged to form a new company Pasona Career Inc. effective January 1, 2007.

Number of consolidated subsidiaries: 41

\*Number of affiliated companies accounted for by the equity method: 9

Total: 50 (As of November, 30, 2006)



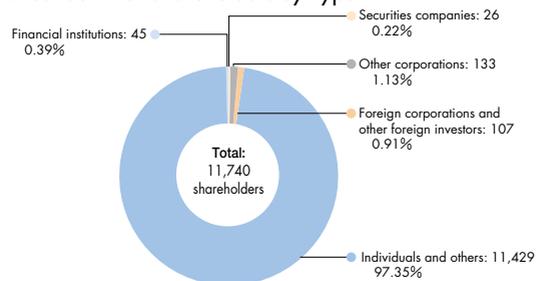
## Stock Information

Number of authorized shares: 1,500,000 shares

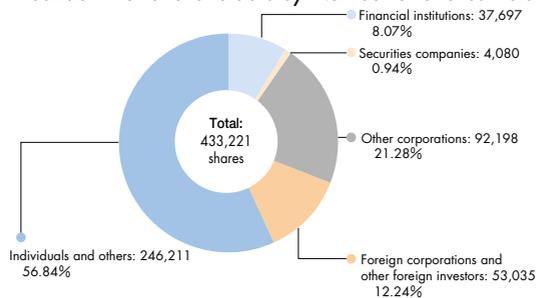
Number of shares issued and outstanding: 433,221 shares

Number of shareholders: 11,740

### Breakdown of Shareholders by Type



### Breakdown of Shareholders by Number of Shares Held



Note: Shares held by Japan Securities Depository Center, Inc. are included in "Other corporation." Treasury stocks are included in "Individuals and others."

## Principal Shareholders

|  |                |          |
|--|----------------|----------|
| Yasuyuki Nambu                                       | 147,632 shares | (34.08%) |
| Nikko Cordial Corporation                            | 45,608 shares  | (10.53%) |
| Nambu Finance Inc.                                   | 30,000 shares  | (6.92%)  |
| Pasona Inc. (Treasury stock)                         | 17,500 shares  | (4.04%)  |
| State Street Bank and Trust Company                  | 11,131 shares  | (2.57%)  |
| Yamato Life Insurance Co.                            | 9,918 shares   | (2.29%)  |
| Japan Trustee Services Bank, Ltd. (Trust Account)    | 9,435 shares   | (2.18%)  |
| Eizaburo Nambu                                       | 9,000 shares   | (2.08%)  |
| Nambu Enterprise Inc.                                | 5,688 shares   | (1.31%)  |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 5,178 shares   | (1.20%)  |

## Breakdown of Shareholders by Region

|  |       |          |
|--|-------|----------|
| Hokkaido                                 | 137   | (1.17%)  |
| Tohoku                                   | 235   | (2.01%)  |
| Kanto                                    | 5,223 | (44.49%) |
| Chubu                                    | 1,872 | (15.93%) |
| Kinki                                    | 2,872 | (24.46%) |
| Chugoku                                  | 523   | (4.46%)  |
| Shikoku                                  | 262   | (2.23%)  |
| Kyushu                                   | 514   | (4.38%)  |
| Overseas                                 | 100   | (0.85%)  |
| Japan Securities Depository Center, Inc. | 1     | (0.01%)  |

## Share Price and Trading Volume



**Directors and Auditors**

|                          |                     |
|--------------------------|---------------------|
| Group CEO and President  | Yasuyuki Nambu      |
| Senior Managing Director | Junko Fukasawa      |
| Senior Managing Director | Masako Suzuki       |
| Senior Managing Director | Ken Watanabe        |
| Senior Managing Director | Kinuko Yamamoto     |
| Managing Director        | Yoshimichi Kawasaki |
| Managing Director        | Keumaru Ogura       |
| Managing Director        | Hiroataka Wakamoto  |
| Managing Director        | Yoshikazu Shibano   |
| External Director        | Hironori Aihara     |
| External Director        | Hajime Hirasawa     |
| External Director        | Hiroaki Eto         |
| Standing Auditor         | Katsuhiko Aoki      |
| Standing Auditor         | Kazuo Higo          |
| External Auditor         | Yoshiharu Hayakawa  |
| External Auditor         | Yuumi Akimoto       |

**CORPORATE DATA** (As of November 30, 2006)

**Corporate Name:** Pasona Inc.

**Headquarters:** Otemachi-Nomura Bldg.  
2-1-1 Otemachi, Chiyoda-ku Tokyo 100-0004  
Tel: +81-3-6734-1100

**Founded:** February 16, 1976

**Established:** September 27, 1989

**Paid-In Capital:** ¥8,329 million

**Business Activities:** Temporary staffing/Contracting  
Placement/Recruiting  
Outplacement  
Outsourcing  
Other (education, training, etc.)

**Employees:** 2,761 (consolidated)  
1,353 (non-consolidated)

\*Excludes contract workers

**Advisory Board**

|   |                 |
|---|-----------------|
| Research Institute for Local Government, President                                      | Nobuo Ishihara  |
| Japan Information Processing Development Corporation, President                         | Yukiharu Kodama |
| National Federation of Workers and Consumers Insurance Cooperatives, President          | Etsuya Washio   |
| External Director of the Company  | Hironori Aihara |
| Senior Advisor (Professor Keio University, Director Global Security Research Institute) | Heizo Takenaka  |

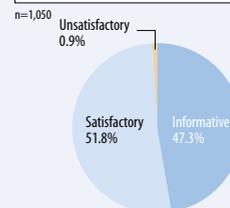
**Notes:**

- Hironori Aihara, Hajime Hirasawa and Hiroaki Eto have been appointed as external directors pursuant to Article 2 Clause 15 of the Corporation Law.
- Yoshiharu Hayakawa and Yuumi Akimoto have been appointed as an external auditor pursuant to Article 2 Clause 16 of the Corporation Law.

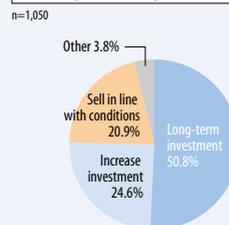
**Results of Shareholder Survey**

Pasona received responses from over 1,000 shareholders in connection with a survey relating to the Company's business results for the fiscal year ended May 31, 2006. We would like to thank all who participated for their cooperation.

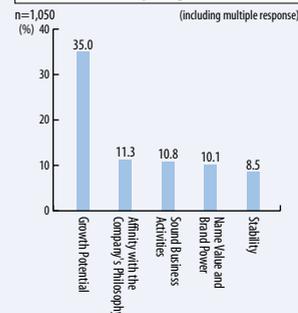
The comments and opinions of shareholders are extremely important to the Company. Pasona will continue to incorporate these and other comments as well as requests from shareholders into future IR activities and will engage in business activities that fulfill the expectations of all stakeholders. We ask for your continued support and understanding.

**Business Report Survey — The Fiscal Year Ended May 31, 2006 Overall Evaluation and Assessment**


Pasona received an overall evaluation of "Informative" from 47.3% of respondents, "Satisfactory" from 51.8% of respondents and "Unsatisfactory" from 0.9% of respondents.

**Thoughts Relating to Pasona Stocks**


50.8% of respondents indicated that their investment in the Company was form a long-term perspective, with 24.6% of respondents indicating a desire to increase their investment. On the other hand, 20.9% indicated they would sell their investment given certain circumstances. This would indicate that a significant portion of shareholders view the Company with increased confidence, with potential for positive growth.

**Reasons for Acquiring Pasona Stock**


Consistent with the previous survey, the largest proportion of respondents, 35.0%, identified "Growth Potential" as the principal reason for investing in the Company's shares. This was followed by "Affinity with the Company's Philosophy."

# SHAREHOLDERS' MEMO

Securities Code: 4332

## IR Calendar

Fiscal Year-End: May 31  
Annual General Meeting: August  
Record Date: Annual General Meeting May 31 (Annually)  
(The Company will announce other dates as and when required)  
Share Trading Unit: 1 share  
Notification Method: The Nihon Keizai Shimbun. Information in connection with the Company's balance sheets and statements of income, is provided on Pasona's Website. Homepage address: <http://www.pasona.co.jp/ir/kessan.html>  
Stock Exchange Listing: First Section, Tokyo Stock Exchange  
Hercules Nippon New Market, Osaka Securities Exchange  
Stock Transfer Agent: Mizuho Trust & Banking Co., Ltd.  
1-2-1 Yaesu, Chuo-ku, Tokyo  
Stock Handling Office: Mizuho Trust & Banking Co., Ltd.  
Head Office Securities Agent Department  
1-2-1 Yaesu, Chuo-ku, Tokyo  
(Mailing Address): Mizuho Trust & Banking Co., Ltd.  
Securities Agent Department  
1-17-7 Saga, Koto-ku, Tokyo  
135-8722  
(Telephone): +81-3-5213-5213  
Notifying Agent: All domestic branches of the Mizuho Trust & Banking Co., Ltd.  
Head office and all domestic branches of Mizuho Investors Securities Co., Ltd.

2006 Jun.  
Jul. July 21 Earnings announcement for the fiscal year ended May 31, 2006  
Aug. August 24 Annual General Meeting of Shareholders  
Sep. September 27 Earnings announcement for the 1st quarter of the fiscal year ending May 31, 2007  
Oct.  
Nov.  
Dec.  
2007 Jan. January 24 Earnings announcement for the interim period of the fiscal year ending May 31, 2007  
Feb.  
Mar. End of March Earnings announcement for the 3rd quarter of the fiscal year ending May 31, 2007 (planned)  
Apr.  
May.  
Jun.  
Jul. End of July Earnings announcement for the fiscal year ending May 31, 2007 (planned)  
Aug. End of August Annual General Meeting of Shareholders (planned)

## Pasona Inc.

Otemachi-Nomura Bldg.  
2-1-1, Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan  
Phone: +81-3-6734-1100  
<http://www.pasona.co.jp/english>