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For Immediate Release

Pasona Group Inc.

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Notice Concerning Forecasts of Business Results for the Fiscal Year Ending May 31, 2008

Pasona Group Inc. (hereafter referred to as "Pasona Group" or "the Company") announces details of consolidated and non-consolidated business results forecasts for the full fiscal year ending May 31, 2008. Business results forecasts previously announced on December 3, 2007 remain unchanged.

1. Forecasts of Consolidated and Non-Consolidated Business Results for the Fiscal Year Ending May 31, 2008

(1) Consolidated Business Results (June 1, 2007 to May 31, 2008)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
FY ending May 31, 2008	259,130	9,190	9,230	4,430
(Reference) FY ended May 31, 2007 (Pasona Inc.)	231,231	8,507	8,807	4,198

(Reference) Estimated net income per share for the full fiscal year: ¥10,625.97

Note: Net income pre share is calculated based on the estimated number of common shares issued and outstanding as of the fiscal year-end of 416,903 shares.

(2) Non-Consolidated Business Results (June 1, 2007 to May 31, 2008)

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Net Income
FY ending May 31, 2008	2,800	700	650	650

2. Forecasts of Cash Dividends for the Fiscal Year Ending May 31, 2008

The following are the forecasts for cash dividends per share for the fiscal year ending May 31, 2008

(Yen)

	Cash Dividends per Share		
Record Date	Interim Dividends	Fiscal Year-End Dividends	Annual Dividends
Forecasts		1,300	2,500
Actual	1,200		
FY ended May 31, 2007	1,000	1,000	2,000

Note: Pasona Inc paid interim cash dividend for the first half of the fiscal year ending May 31, 2008.

Disclaimer: The aforementioned forecasts of business results are based on information available to management as of the date of this press release. Accordingly, information included in this document involves risks and uncertainties that may cause actual results to differ materially from forecasts due to a variety of factors.

3. Full Fiscal Year Outlook

While the pace of growth appears to be tapering across certain human resource fields, reflecting uncertainties surrounding Japan’s economy and its future, the industry as a whole and its operating environment continue to experience steady improvement.

In the temporary staffing market, indications of a lull in demand are beginning to emerge. This is attributed to companies increasing their ranks of full-time personnel. Pasona Group considers this a short-term phenomenon, with economic uncertainty contributing to potential demand growth and the increased use of external human resources. Reinforcing positive conditions, regional companies are working toward the full-fledged use of temporary staff. Despite previous weak demand in areas outside the major metropolitan cities, this new trend is expected to broaden the Company’s client base.

Looking at issues relating to compliance in connection with certain companies, the growing incidence of fraudulent contracting and daily contract workers is having its impact among client firms. Clients are adopting a more selective approach toward temporary staffing companies, placing equal emphasis on each company’s compliance structure as well as its ability to supply quality personnel. In this context, the Pasona Group is well positioned and is confident of its competitive advantage.

The Pasona Group is convinced that its existing initiatives, which include efforts to augment employee welfare benefits, raise hourly wage rates and enhance compensation through measures such as the payment of travel expenses, provide the means to secure long-term temporary staffing stability. Utilizing its ability to pursue and promote arrangements, Pasona Group is confident of matching orders with the appropriate temporary staff. In leveraging its ongoing investment in human resources as well as efforts to increase efficiency, the Company is well positioned to further enhance quality and quantity. Through these means, Pasona Group intends to steadily increase the number of temporary staff.

Guided by an overriding Group-wide business strategy, the Pasona Group plans to secure overall growth buoyed by the shift to a holding company structure. In addition to its temporary staffing business, the Group will actively strengthen and promote its activities in high-growth fields including placement and recruiting as well as outsourcing.

Reflecting its commitment to increase and enhance communication with client firms and temporary staff, the Group established a central and strategic Group base at the Shin Marunouchi Building during the fiscal year under review. In this manner, Pasona Group continues to undertake strategic investment essential to medium-term growth.

Despite a sense of stagnation within the temporary staffing business, Pasona Group is confident that its operating environment and specific measures outlined above will maintain its previously announced forecasts of business results. Accordingly the Company is anticipating consolidated net sales of ¥259,130 million, consolidated operating income of ¥9, 190 million, consolidated ordinary income of ¥9,230 million and consolidated net income of ¥4,430 million for the full fiscal year ending May 31, 2008.

In specific terms, the Company intends to include an extraordinary gain of approximately ¥1,000 million in its accounts for the full fiscal year ending May 31, 2008. This represents a gain on the sale of securities in Pasona ADP Payroll, Inc., an affiliated company of Pasona Inc. accounted for by the equity method.

Members of the Pasona Group including Pasona Inc. occupy a portion of the Otemachi Nomura Building under a fixed term lease agreement. This agreement is scheduled to expire on July 31, 2008. The Company has decided to limit an extension of the aforementioned lease agreement to one year subject to appropriate terms and conditions, thereby terminating the agreement on July 31, 2009. This decision is attributed to an inability by the lessor and Pasona to reach an agreement, and is consistent with the company's management strategy. On this basis, Pasona Group intends to include a portion of restoration and associated costs related to the Otemachi Nomura Building in its accounts for the full fiscal year ending May 31, 2008. The relevant amount is yet to be determined and accordingly has not been incorporated into business results and forecasts.