January 9, 2009

For Immediate Release

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Notice Concerning Revisions to Business Results Forecasts for the Full Fiscal Year Ending May 31, 2009

Taking into consideration recent performance trends, Pasona Group Inc. (hereafter “Pasona Group” or “the Company”) today announced revisions to its business results forecasts for the full fiscal year ending May 31, 2009 previously disclosed on July 25, 2008. Brief details are as follows.

1. Revisions to Consolidated Business Results for the Full Fiscal Year Ending May 31, 2009 (June 1, 2008 to May 31, 2009)

(Millions of yen unless otherwise stated)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Previous Forecast (A)	248,920	5,500	5,810	2,560	6,705.57
Revised Forecast (B)	224,730	3,790	4,220	1,040	2,775.57
Net Change (B – A)	(24,190)	(1,710)	(1,590)	(1,520)	—
Net Change (%)	(9.7)	(31.1)	(27.4)	(59.4)	—
(Reference) FY Ended May 31, 2008	236,945	6,444	6,637	2,962	7,109.95

2. Rationale

Looking ahead, and in connection with the remainder of the fiscal year ending May 31, 2009, operating conditions are expected to deteriorate even further. This reflects uncertainties surrounding the future due mainly to the rapid and dramatic downturn in the global economy, which has contributed to weak corporate sector earnings.

Under these circumstances, companies that have advanced a recent aggressive approach toward the recruitment of human resources encompassing new graduates, graduates with limited experience in the workforce, mid-careeer hires as well as full-time staff are exhibiting signs of an excess in personnel, resulting in a stringent review of existing human resources including permanent and full-time employees. On the other, hand, mid-sized companies, venture capital organizations and the service industry, which had previously suffered from a chronic shortage of labor, are taking steps to secure human resources. On this basis, current conditions indicate disparities in the employment situation of each company and industry.

Taking the aforementioned into consideration, Pasona Group is experiencing mixed results. While the total number of new temporary staffing orders received, focusing mainly on the Group’s mainstay office work segment, showed signs of a decline, demand for job types requiring a higher level of skill and expertise and from companies and industries experiencing a labor shortage was firm. In addition, the number of temporary staffing contracts completed decreased compared with the corresponding period of the previous fiscal year while the average contract term increased. This reflects the ongoing trend toward long-term stability.

Turning to the Outplacement and Outsourcing business segments, which experienced steady conditions throughout the first half of the fiscal year under review, demand remains firm throughout. At the same time, Pasona Group anticipates a steady buildup in its performance in each segment due mainly to the concentrated allocation of management resources and the ongoing implementation of its comprehensive and diversified strategy.

Despite the aforementioned, Pasona Group is unable to deny that there exists a significant amount of uncertainty in connection with the demand for human resources from spring 2009. Forced to adopt a cautious approach toward future operating conditions, the Company has decided to revise its net sales forecast for the full fiscal year ending May 31, 2009 identified at the beginning of the period, focusing mainly on the Temporary staffing, Contracting, Placement and Recruiting businesses. From a profit perspective, Pasona Group continues to promote cutbacks in selling, general and administrative expenses based on the comprehensive review and reduction of operating costs. Due to the drop in net sales compared with estimates established at the beginning of the period, however, these endeavors have failed to fully offset the decline in gross profit. As a result, the Company has also revised its forecasts for operating income, ordinary income and net income.

In specific terms, the substantial drop in net income relative to ordinary income is attributable to a variety of factors including the increase in minority interests in income of consolidated subsidiaries as well as Pasona Group's decision to undertake a partial reversal of consolidated subsidiary deferred tax assets during the second quarter of the fiscal year ending May 31, 2009.

From the fiscal year ending May 31, 2010 and beyond, corporate employment adjustments are expected to progress even further. At the same time, the pace of temporary staffing demand and stability recovery focusing mainly on positions requiring specific skills and expertise is expected to exceed that of the general economy. In its efforts to better prepare for this bottoming out and positive turnaround in temporary staffing demand, Pasona Group will continue to place additional weight throughout the fiscal year under review on efforts to enhance temporary staffing education and training and to implement measures that are designed to secure a growing pool of quality staff. From a medium to long term perspective, the Company will continue to concentrate management resources into such growth fields as Outsourcing with the aim of realizing medium to long term improvements.

In conjunction with the aforementioned initiatives, Pasona Group will also promote a Group strategy that entails the reorganization of Group businesses and the consolidation of the Group's administrative infrastructure including offices. Through these means, the Company will further strengthen its Group management and to swiftly establish a robust operating structure that is unaffected by fluctuations in the economic environment.

Disclaimer: The aforementioned forecasts of business results are based on information available to management as of the date of this press release. As a result, 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.