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For Immediate Release

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Notice Concerning Revisions to Business Results and Cash Dividend Forecasts for the Fiscal Year Ending May 31, 2010

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 fiscal year ending May 31, 2010 previously disclosed on July 17, 2009. Brief details are as follows.

1. Revisions to Consolidated Business Results Forecasts

(1) Consolidated business results forecasts for the first half of the fiscal year ending May 31, 2010
(June 1, 2009 to November 30, 2009)

(Millions of yen unless otherwise stated)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Previous Forecast (A)	104,880	690	670	20	55.76
Revised Forecast (B)	92,060	900	930	(1,690)	—
Net Change (B – A)	(12,820)	210	260	(1,710)	—
Net Change (%)	(12.2)	30.4	38.8	—	—
(Reference) First Half of the Fiscal Year Ended May 31, 2009	116,086	1,598	1,803	203	521.44

(2) Consolidated business results forecasts for the fiscal year ending May 31, 2010
(June 1, 2009 to May 31, 2010)

(Millions of yen unless otherwise stated)

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income per Share (Yen)
Previous Forecast (A)	224,390	3,540	3,690	1,010	2,816.12
Revised Forecast (B)	191,700	3,000	3,300	200	551.50
Net Change (B – A)	(32,690)	(540)	(390)	(810)	—
Net Change (%)	(14.6)	(15.3)	(10.6)	(80.2)	—
(Reference) Fiscal Year Ended May 31, 2009	218,699	2,850	3,361	312	834.30

(3) Rationale

Turning to consolidated business results forecasts for the first half of the fiscal year ending May 31, 2010, net sales are projected to fall short of plans identified at the beginning of the period. Despite a bottoming out of the steady decline in new orders coupled with other positive factors that collectively point to signs of a recovery in the temporary staffing business, Pasona Group is unable to report a full-fledged increase in net sales. This is attributable to a persistent harsh operating environment that reflects such factors as the ongoing slump in placement and recruiting business demand.

From an earnings perspective, on the other hand, operating income and ordinary income are expected to exceed plans. In addition to the support provided by the substantial increase in outplacement demand, these favorable forecast results reflect successful efforts to significantly reduce selling, general and administrative expenses focusing mainly on recruitment, personnel and related expenses.

Taking into consideration an upswing in the proportion of consolidated subsidiary minority interests in income and after reviewing the recoverability of the deferred tax assets of certain deficit-ridden subsidiary companies, Pasona Group is projecting a net loss of ¥1,690 million for the first half of the fiscal year ending May 31, 2010.

In the context of Pasona Group's consolidated business results forecasts for the full fiscal year ending May 31, 2010, demand for human resources is beginning to recover. Despite this indication of improved operating conditions, the start of a comprehensive positive turnaround has been delayed, particularly when compared with expectations at the beginning of the fiscal year under review. Based on recent performance trends, the Company has accordingly decided to revise downward its business results forecast for the full fiscal year ending May 31, 2010. While Pasona Group will continue throughout the third quarter of the fiscal year under review and beyond to reduce costs, there are limited prospects that it will be in a position to offset the drop in gross profit attributable to the estimated shortfall in comparison with sales plans. On this basis, the Company has also decided to revise downward its full fiscal year forecasts for operating income, ordinary income and net income.

Moreover, in line with Group company reorganization, details of which were publicly announced today, Pasona Group has decided to adjust the accounting year of subsidiary companies. On a consolidated basis, the Group's business results will therefore include irregular account settlement (14 months) for a subsidiary. The impact of this Group company reorganization has been factored into the Company's consolidated business results forecasts announced today.

2. Revisions to Cash Dividend Forecasts

(1) Revision to the Cash Dividend for the fiscal year ending May 31, 2010

(Yen)

	Cash Dividends per Share		
	Interim	Year-End	Annual
Previous Forecast (Announced on July 17, 2009)	600	650	1,250
Revised Forecast	0	Yet to be determined	Yet to be determined
Actual Cash Dividends for the Fiscal Year Ended May 31, 2009	600	650	1,250

(2) Rationale

Implementing the return of profits to shareholders based on the Company's business results is a fundamental policy of Pasona Group. As a part of this policy, the Company targets a consolidated cash dividend payout ratio of 25% while at the same time making every effort to ensure the continuous and stable payment of cash dividends.

Operating income and ordinary income for the first half of the fiscal year ending May 31, 2010 are expected to exceed forecasts identified at the beginning of the period. Taking into consideration the reversal of deferred tax assets, however, Pasona Group is projecting a net loss for the six-month period ended November 30, 2009.

Given the nature and status of current conditions, the Company has decided to prioritize the recovery of its business results and performance. To this end, Pasona Group will concentrate its management resources toward business activities. On this basis, and with a deep sense of regret, the Company will forego the payment of an interim cash dividend.

With respect to the payment of a fiscal year-end cash dividend, a decision is yet to be determined. Whether or not to pay a fiscal year-end cash dividend will depend on future business conditions and performance. Pasona Group will make a public announcement in due course.